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S is for Suckers

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BEFORE casting ballots Feb. 5, there's something Los Angeles city residents need to know about Measure S - it is in no way, shape or form a tax cut.

Oh sure, that's how city officials are trying to portray it. They say that because the new phone tax included in Measure S is only 9percent - and the old one was 10percent - it would amount to a 10percent reduction.

But that's a an outright lie.

Here's what L.A. voters need to know about the phone tax: The current, 10percent tax is illegal. It's widely expected that the courts will strike it from the books, soon. That's why city leaders are in such a hurry to pass a replacement tax that they even declared a bogus fiscal "emergency" to get it on the ballot early.

So if voters pass Measure S, they won't be cutting the phone tax. They'll be hiking it from 0percent - which is what it will be when the courts are through with it - to 9percent.

But it gets worse.

While the outgoing 10percent tax applies only to phone lines, Measure S applies to every telephonic device - present and future - under the sun. The tax rate may be lower than the old tax, but the applications are infinitely greater.

So if Measure S becomes law, the city could start collecting taxes on Voice Over Internet Protocol. Or text-messaging. Or any number of applications that haven't even been invented yet.

As the number of communications devices - and the use of existing one - proliferates, the costs would grow higher and higher.

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Conceivably, Measure S could cost Angelenos billions. It could also inhibit business and technological development in the city.

We have no hard numbers for how much Measure S would really cost because city officials offer no real estimates. They just knock 10percent off of current phone-tax revenues, and come up with \$243million - conveniently ignoring the extra applications that they inserted into the measure, and which they boast about during their unguarded moments.

Meanwhile, city officials warn that if Measure S fails, they may have to scale back the massive pay raises they gave to city bureaucrats last year or slash city services to the public.

Predictably, city unions are pouring a fortune into the Yes on S campaign to preserve the huge pay increases they were given recently right in the face of the looming crisis.

Given the political history of Los Angeles, such as it is, there is no real danger that public-employee unions or any of the other special interests that live off City Hall are at risk. It's always the public that pays more and gets less.

Taxes on telephone services are common all over the country. But if L.A. is going to get a new phone tax, it ought to be an honest one, with the price tag disclosed up front along with clear, specific language on what is taxed and what isn't.

And what the public benefits from ought to be just as clear.

Measure S is a pricey deception that would cost everyone, but benefit only a select few. Let's vote it down.

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