

A Sales Tax That Hurts Everyone

In its perpetual quest for more tax dollars, the Pennsylvania Department of Revenue has decided that firms which let contracts to poultry growers aren't really in the business of farming.

Therefore, contractors like Pennfield, Weaver's and Wolgemuth Brothers, should be liable for a six percent sales tax on feed, fuel and litter they buy for their flocks being grown under contract by contract growers.

This move threatens the state's entire poultry industry, and has vast implications for other contract operations in the state.

The revenue people, for now, are testing their decision with a case against Wolgemuth Brothers in Mount Joy. If the revenue people lose their case, poultry producers aren't likely to hear any more about the matter.

But if they win, everybody loses. The farmer, the contracting companies, the consumer, even the tax department.

According to one industry spokesman, about 85 percent of the state's layers and broilers are grown under contract. Growing chickens in Pennsylvania is already more expensive than it is in many other areas. Feed, for example, costs more because the bulk of it has to be trucked in. Land is more expensive, so's labor, and taxes are higher.

An extra six percent tacked onto the industry's feed bill could be the final blow. Many contractors will find it cheaper to have their poultry meat and eggs produced by out-of-state growers.

Forcing poultry growing out of the state would result in a net loss of tax dollars, because it would eliminate many jobs. Packaging and processing operations wouldn't be hurt as much as feed mills, of course. The group who'd suffer the most serious loss, of course, would be the state's small farmers.

Chickens grown under contract are a sideline with many farmers in our southeastern part of the state. But they are an important sideline, often making the difference between a good year and a bad one.

The state sometime ago ran into a similar

situation with mink ranchers. Mink ranchers were told that they weren't engaged in farming, and they'd have to pay sales tax on mink feed. Naturally, the ranchers fought. And they won. Feed for mink is not taxed. If that logic makes sense for minks, it makes sense for chickens.

Part of the argument for sales tax is that it's a more equitable means of raising funds than, say, a head tax or a flat-rate income tax. Ideally, a sales tax extracts the most revenue from the people who are best able to pay it. The people with money to spend.

In the supermarket, for example, we pay sales taxes on non-essential things like soft-drinks and paper towels. Meat and potatoes aren't taxed. The logic behind this is that the people scraping by shouldn't have to pay extra for the necessities of life. The people who can afford the luxury of soft-drinks and paper towels are obviously able to pay a little extra.

At least this seems to be the logic behind starting a sales tax. This logic becomes obscured, though, in the frantic scramble for tax money.

The effect of a sales tax on the poultry industry's cost of doing business could be an increase in the price of poultry meat and eggs. Poultry meat and eggs are two of the most reasonably priced sources of protein, a fact which makes them very attractive to families with limited food budgets. A rise in the price of eggs or chicken would hurt these families.

A sales tax on poultry feed, fuel and litter would be a serious blow to the Pennsylvania poultry industry. The corporations which contract for poultry and eggs would have the expense of moving their operations out of state.

Consumers could wind up paying more for their chicken and eggs.

The people of Pennsylvania would lose because they'd be getting fewer tax dollars from poultry industry wage earners.

Small farmers would lose a major source of income. Some farmers could make it up. Some would simply make do with less.

And, without a doubt, some would have to leave farming.

Nobody could gain from such a tax

Grassroots Opinion

LOUP CITY, NEBR., SHERMAN COUNTY TIMES: "No one expects you to go out and get the fumes out of the sky single-handed. But in every community there are things you can do to help — even in a million little ways, starting right at home! For instance, you might return all wire hangers to your dry-cleaner and laundry... these can be re-used. Save on unnecessary paper-bag disposal... do as the Europeans do, take along a smart, re-usable shopping bag of your own. Keep a litter-bag in your car. There are some people who even keep small plastic bags in their purses — for cigarette and candy wrappers, junior's gum, things like that. And get to know your community recycling centers. Find out what materials they want, and do what you can to support them. Try it, and help reduce pollution by eliminating much of what usually goes to huge disposal plants to 'go up in smoke!'"

HINCKLEY, ILL., REVIEW: "There is tremendous concern about who actually is contributing to the coffers of the political campaigns. We're more concerned about who will be contributing after the politician is elected."

CLIFTON FORGE, VA., REVIEW: "The Associated Press reports... that the federal government is having a rough time getting rid of worn-out money. We have a rough time holding on to it. Federal Reserve banks are beginning to grind up

cash instead of burning it. The step against air pollution leaves behind a lint-like green material. The Treasury Department is searching for commercial buyers for the lint. They might consider sending some of it back to the taxpayers."

OBERLIN, KANS., HERALD: "Whenever a judge suspends sentence on a lawbreaker if he promises to get out of town, it is easy to wonder how often this person could repeat the offense in a different town each time and never have to serve a stretch in jail. Serving time does not necessarily convince the lawbreaker he should go straight. But the 'get out of town by sundown' warning is a neat way for a judge to wash his hands of the duty of meting out justice to the guilty... If we want law and order we are going to have to see to it that our courts are doing their job. Sending trouble on to the next town isn't doing the job."

WELLINGTON, OHIO, ENTERPRISE: "When an individual spends more than he earns he ends up bankrupt. When a business spends more than it takes in, the result is bankruptcy. When a government spends more than it takes in taxes, the result is depreciated currency followed by inflation. And the person who suffers most from inflation is the one who has no way of catching up, like the retiree on a fixed income. Our 20 million Senior citizens are not apt to forget this on Election Day."

NOW IS THE TIME . . .

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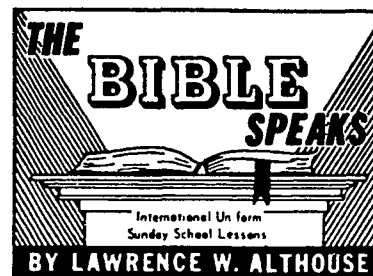


To Prevent Farm Fires
National Fire Prevention Week is designated as October 8 to 14 and all farmers are urged to evaluate their fire prevention and fire fighting procedures. As we enter the fall and winter season, there are more fire hazards and greater risks included. Heating equipment including chimneys and flues should be checked and repaired. Fire extinguishers should be put into working order and all members of the family should know how to operate them. The phone number of the local fire department should be posted at every telephone. Water supplies to be used in case of fire should be determined when making fire prevention plans. Fires are always very destructive and costly; plans should be made to prevent them and to control the fire to a minimum of damage.

To Control Livestock Parasites
Both internal and external parasites will reduce the efficiency and health of all livestock. An eradication program should be practiced on all farms. Local dairymen and beef cow producers should treat their young stock annually in order to keep down the infestation. Since animals have been produced on many of our farms for a long number of years, the parasite build-up needs controlling. Cattle feeders that

are buying new cattle, especially calves, should treat the animals for stomach worms early in the feeding period. Many cattle imported from the southern states carry heavy worm infestation. Special attention to parasite control will increase the net returns from the livestock operation.

To Prepare for New Corn Crop
Corn picking season is approaching when many cribs will be filled and barn floors covered with grain. Both rodents and grain insects can take a heavy toll of stored grain. In the first place, old corn should be removed from the bin or crib before the new crop is stored. In many cases grain weevils, or other insects, may be in the old corn and will be carried into the new grain, if they are put together. The old grain should be cleaned out and fed or sold, before the new crop is placed into storage. The use of Malathion or Methoxychlor as a residual spray on the sides and floors of the bin is suggested to eliminate possible insect infestation. Rats and mice will feed on the grain unless the crib or bin is protected. This is very difficult when the ear corn is stored on the barn floor or other temporary place. Good storage plans try to reduce the insect and rodent damage.



WHOSE CITIES?

Lesson for October 8, 1972

Background Scripture Genesis 11:1-9,
Zechariah 8:1-8, John 17:15-18,
Acts 19:23-41, 1 John 2:15-17,
Revelation 21:10, 22-27
Devotional Reading Psalms 125

Judging by history the ultimate fruits of most men's civilizations seems to be a legacy of romantic ruins. In Rome, Athens, Yucatan, Peru, we see all that remains of once-proud empires. We see the pyramids of Egypt, the wall of China, and the ziggurats of Iran, and wonder whether our monuments will fare any better.



The story of the tower of Babel seems to indicate that man is wrong to build his cities, that his ambition is an affront to God. Yet, it is not man the builder that disturbs God, but man the egotist. The problem is not with his building of cities and monuments, but with the vain motivation behind all of this.

In the story, God does not seem disturbed when the people say: "Come, let us make bricks, and burn them thoroughly." What did disturb the Lord, however, was when they said: "Come, let us build ourselves a city, and a tower with its top in the heavens, and let us make a name for ourselves..." (Genesis 11:4).

"Come, let us build..."
Whenever men try to build all

by themselves and for the purpose of making a name for themselves, they are on the wrong track with God. God wants us to build our cities but he also wants us to acknowledge that we cannot build enduringly without him. He wants us even to build our monuments, but not to ourselves or our own glory.

This is still a concern in today's world. We get carried away with our own grandiose schemes and forget to whom the cities belong. "I don't want any of that in my town," said a certain mayor some time ago. Someone quickly reminded him that it wasn't his town, that it belonged to all the citizens.

"The faithful City"

When men forget whose city it is and build to "make a name" for themselves, the seeds of disunity and confusion are sown. It is our vain ambition, our selfishness and pride that build the walls between us and keep us apart. When we usurp God's own place, we call down destruction and tragedy upon ourselves. It is then that our city, our nation, our world, instead of Babylon the golden become Babel the confused, the divided.

When our pride gets in the way we neither understand each other or hear the voice of God. Our building becomes a curse instead of a blessing. As the Psalmist put it: "Unless the Lord builds the house, those who build it labor in vain" (127:1). So it is with the cities.

The prophet Zechariah saw a vision of a rebuilt Jerusalem: "Old men and old women shall sit in the streets... And the streets of the city shall be full of boys and girls..." (Zech. 8:4, 5). We can still have cities like that if we remember whose cities they are.

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