

# OPINION: HIGH COST OF LIVING VS. LOW COST OF MOVING OUT OF NEW JERSEY

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Property taxes are driving residents out of state, but alternatives are politically too hot to handle



When 60 percent of New Jersey residents confess to a pollster that they want to move elsewhere; when 54 percent say their departure desire was prompted by the high cost of living; and when 24 percent identify property taxes as the reason behind their decision, one would think government would take notice and a closer examination of these factors would be in order.

That it's expensive to live here is not in dispute -- in high-income states like New Jersey the cost of living tends to track more closely with upper earning levels rather than middle or

lower. It's trickle-up economics.

Providing the fundamental food, clothing, and shelter is driven by market forces that reflect the relative wealth in the region. Consequently, there is little government can do to control or regulate the expense of everyday living.

It can, however, turn its hand toward the nearly quarter of those who express a desire to relocate because they are struggling to pay their property taxes and view leaving as the only alternative left.

The state's overreliance on property taxes to fund education and county and municipal services has been identified for decades as the issue most troubling to those who live here. It's been a staple in campaigns at all levels, and pledges to aggressively pursue solutions litter the political landscape like the candidates' roadside signs once the election is over.

Despite efforts to address the issue, the basic premise of financing local governments has remained largely unchanged -- depending exclusively on the value of real estate as indicative of the ability of the owners of that real estate to pay. owing that for many the property tax burden is no longer bearable, serious-minded consideration of alternatives has been scarce.

Shifting to authorizing municipal governments to levy a local income tax or some version of a sales tax are mentioned periodically but arouse such a political uproar that proponents are forced to beat a hasty retreat.

Taxing income to support local governments -- as many others states have done for some time -- recognizes that it is a far more accurate and infinitely fairer measure of personal economic health



