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IN OUR VIEW / Reject broad sales tax hike

The decision has been made to raise taxes as part of the solution to the state's \$2.8 billion budget shortfall. All that remains for majority Democrats to debate is which taxes to hike, and by how much.

Some observations:

– Raising taxes in a weak economy threatens to weaken it further. But cutting too deeply into critical services, particularly education, is economically counter-productive, too.

The Great Recession has caused a much more dramatic fall in tax revenues than anyone could have anticipated, along with a rise in state expenses as more people qualify for Medicaid and other social programs. Public schools have seen increased enrollments, too, as cash-strapped families pull their kids out of expensive private schools. They can't be turned away.

This truly is an immediate fiscal emergency. A thoughtful, limited infusion of new revenue to help deal with it is justified.

– A general increase in the state sales tax does not qualify as thoughtful. Nothing will help the state budget picture more than an improving economy, and the key to that is a rebound in consumer spending. Making a broad range of consumer goods more expensive, particularly big-ticket items like cars, appliances and furniture, is short-sighted.

The same applies to the Senate proposal to end the tax deduction on vehicle trade-ins. This long-standing practice allows car buyers to subtract the value of a trade-in from the total price paid to the dealer, often lowering the sales tax by hundreds of dollars. It's hard to imagine a more effective way to gut car sales, and the sales-tax revenue they generate.

– Gov. Chris Gregoire's proposal to extend the sales tax to candy and gum, and add to taxes on bottled water, soda pop and cigarettes, is easier on the economy and allows for consumer choice. As we've argued before, at least a portion of such revenues should be directed to badly-needed public health programs.

– Another part of the governor's revenue proposal – tripling the tax on toxic substances that's supposed to go for cleaning up waterways – amounts to a ruse that will only fuel taxpayer cynicism. For the first few years, much of the revenue raised wouldn't be used for clean water, but would be swept into the general fund, following millions more that have already been diverted in the same way.

– Minority Republicans are right that the majority has continued to avoid the hard work of serious government restructuring. The state will likely continue doing things it shouldn't – such as distributing liquor – and state employees will avoid many of the pay and benefit cuts private-sector workers have been making for years. Meanwhile, important priorities like education will suffer.

This will be the key issue in this fall's legislative elections.