

Good to know

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There are all sorts of snippets and tidbits floating around these days. Some things are just so much hoo-hah, but there are also a lot of things that are just good to know.

A July 1 government report by the Senate Fiscal Agency detailed what the effect of Governor Snyder's business tax shift means. As summarized on MLive.com: "This year, business taxes will account for more than \$2 billion to support a variety of education, health care and public safety services. Next year, it will be half that much. The year after that, business tax receipts will fall to an estimated \$343 million — an 83 percent drop from this year — as the full scope of the recent tax overhaul takes effect. That's less than taxes gained from cigarette and alcohol sales."

From an education perspective, the drop in state funding has taken an interesting turn in the Grosse Pointe Schools. That community has voted in extra local taxes to support its schools. Governor Snyder has proposed a law that would make school of choice mandatory statewide. That means any student could transfer into the Grosse Pointe schools and the district could not prevent it. In essence the extra taxes paid by Grosse Pointe residents would be supporting students whose parents are not paying the extra taxes. (Detroit Free Press)

Still on education, it may be appropriate to note that while Michigan will move to

a state-mandated curriculum that ties standardized testing to teacher evaluations the rest of the world may be going in a different direction. As stated by Don Campbell, a former lecturer at Emory University in Atlanta: "Why don't we scale back the obsession with bubbling things in and challenge students ... to show their innovation and creativity? For what it's worth, that's what the Chinese are doing."

Obviously, the big story nationally is the country's budget. Al Neuharth of USA Today put forth an interesting comparison when it comes to how this country spends its money. Budget figures for this year: \$159 billion for wars, \$19 billion for space. That means the geniuses in Washington think "nation building in places like Afghanistan is eight times more important than exploring the universe."

In another budgetary item, Medicare's inspector general issued a report that showed the cost of motorized wheelchairs (scooters) billed to Medicare has risen from \$259 million in 1999 to \$723 million in 2009. In 2007, 61 percent of the chairs went to people who did not qualify for them. The inspector general also found that Medicare is billed an average of \$4,018 for chairs that normally sell



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Jim
Neff

for \$1,048.

Continuing with the "bilking the government" theme, Microsoft has developed a pretty nifty tax dodge (as reported by AOL Daily Finance). On a revenue of \$17.4 billion last year Microsoft's earnings were up by 30 percent over the previous year. However, they reported an "operating income" of just 4 percent. The trick is to make

cash overseas and then not bring that money into the states where the taxes are higher. It's a double-dip that Wall Street is just now figuring out: You report a 30 percent increase so your stock goes higher but only report a 4 percent increase to the government so your taxes are lower. Oh, and since they don't bring that extra cash into the country they can't use it to pay shareholder dividends. Everyone except Microsoft loses. (Remember now, Bill Gates wants schools to be run like businesses.)

By the way, if you want to look at a list of the 16 profitable companies that pay almost nothing in taxes go to <http://www.businessinsider.com/companies-pay-lowest-tax-loopholes-2011-2>. Bring a hammer along because you're going to want to hit yourself in the head.

Not all is lost, however. Sometimes we get more than

we paid for. According to National Institutes of Health chief Dr. Francis Collins, the government spent \$4 billion on the Genome Project between 1990 and 2003. The economic goods and services that came out of that is estimated at \$796 billion. That's a 141 to 1 return on the investment.

Speaking of return on investment, you know nothing in this life is really free of charge, right? Take, for instance, those free apps we love on our smart phones. Why are they free? Well, some of them collect data as we use them. The Wall Street Journal discovered that the Fox News app, for example, collects location data on its users. PC World added that the Angry Birds game that is so addictive collects data on your latitude and longitude, your contacts and your phone's ID.

Finally, every year the Bulwer-Lytton Fiction Bad Writing Contest asks contestants to create the worst possible opening sentence to an imaginary novel. This year's winner is Sue Fondrie of Oshkosh, Wisconsin. Her sentence: "Cheryl's mind turned like the vanes of a wind-powered turbine, chopping her sparrow-like thoughts into bloody pieces that fell onto a growing pile of forgotten memories." It was the shortest winning sentence in the 29-year history of the contest.

JIM NEFF is a local columnist. Read Neff Zone columns online at www.neffzone.com/cadillacnews.