Guy Moore Story

Tallahassee Democrat

Estate tax can steal the American Dream

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Some might compare the devotion of college sports fans to their home teams as bordering on the religious. I know, because I'm one of those fans.

As a graduate of Florida State, I proudly wear my 'Noles stripes — and make sure other Seminoles fans can as well. In fact, I opened my first Garnet and Gold store because I wanted fans to have access to affordable FSU apparel and accessories.

Our business has weathered its share of struggles, from hurricanes to the sluggish economy — not to mention from winning to losing and back to winning again.

For all of our hard-headed perseverance, however, our company's future may have nothing to do with our dedication, performance or sacrifice. Instead, our future may come down to Congress' action on the Federal Estate Tax.

Commonly known as the death tax, because it's assessed after somebody dies, the estate tax died at the end of last year. But it will automatically come back to life on Jan. 1 — at a rate of 55 percent on all assets over $1 million — unless Congress prevents it.

Unfortunately, many federal lawmakers don't seem to understand what it takes to start, maintain and grow a business. If they did, they wouldn't be pushing to reinstate the tax. Instead, they would be pushing to permanently repeal it.

Not only would this add some 1.5 million jobs to the economy nationwide, according to an American Family Business Foundation study by former Congressional Budget Office Director Douglas Holtz-Eakin, but it would boost employment in the Sunshine State by an estimated 82,000 jobs, according to an article in the James Madison Institute's *Journal*.

Family-owned businesses like ours are the engines of job growth. But too often the estate tax prevents family-owned businesses from creating new jobs and sometimes from keeping current ones.

Why? Our business capital is mostly tied up in the "guts" of the businesses — our property, equipment, inventory and other assets, as opposed to cash sitting in a bank account.

If allowed to reappear at a 55-percent rate, the estate tax would cut the value of our company in half if I die. Businesses can't take such a hit and survive.

But the government doesn't stop there. Washington also goes after a family business owner's personal assets — the house, retirement accounts, the car and more. As a result, my kids could be forced to shut down or sell the company simply to pay the tax if I die, putting many, if not all, of our 100 employees — mostly college students, working to get themselves through school — out of work.

This policy is the enemy of the American dream, and it's crushing the spirit of entrepreneurs across the country.

According to data compiled by Congress's Joint Economic Committee in 2006, from 1995 to 2005 estate taxes were paid by more than 37,000 "closely-held businesses," 24,000 family farms, 50,000 limited partnerships and nearly 28,000 "other" noncorporate businesses, such as sole proprietorships.

Florida's congressional delegation ought to make every effort to ensure that the estate tax isn't allowed to destroy one more job or one more business.

I want this business to survive for the community, for our employees, for our team and for my family.

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