Who. Are. The 47 percent?

By <u>Steve Thorngate</u> September 18, 2012

So you've probably already heard that <u>Mother Jones has video</u> of Governor Romney saying, among other things, this:

There are 47 percent of the people who will vote for the president no matter what. All right, there are 47 percent who are with him, who are dependent upon government, who believe that they are victims, who believe the government has a responsibility to care for them, who believe that they are entitled to health care, to food, to housing, to you-name-it. . . . These are people who pay no income tax. Forty-seven percent of Americans pay no income tax. So our message of low taxes doesn't connect. . . . My job is not to worry about those people. I'll never convince them that they should take personal responsibility and care for their lives.

As is often the case, <u>Wonkblog</u> has heaps of great commentary. <u>Brad Plumer points</u> out that

- most of this 47 percent is made up of people who don't pay federal income tax but do pay payroll taxes, because they have taken enough personal responsibility and care for their lives to *have a job*
- more than a fifth of them are of retirement age
- this leaves only 6.9 percent of Americans under 65 who pay neither federal income nor payroll taxes (though they do pay other taxes)

<u>Suzy Khimm adds</u> that the reason 47 percent of Americans don't pay federal income taxes is mostly about two things: the Earned Income Tax Credit and and the Child Tax Credit. Which is to say: they don't pay federal income tax because of policies, passed with bipartisan support, that have a proven track record of helping lift people out of poverty—by way of relief for taxes on money they've already earned. By working.

And <u>Dylan Matthews observes</u> that, for better or for worse, Romney's own tax plan would do very little to change the fact that almost half of Americans don't pay

federal income tax.

One post from not-Wonkbook that struck me is <u>by Bryan Crones</u>, who flips Romney's point on its head and argues for a living wage law:

The real freeloaders are the Walmarts and other ginormous corporations who pay poverty wages to their workers, relying on the subsidy provided by the federal government in the form of the EITC to keep people out of extreme poverty. Note that no one--not the president, not candidate Romney--is suggesting that businesses be required to pay a living wage. . . . If we are concerned about people paying their income taxes, there's an easy way to make sure we all have skin in the game: Require businesses to pay a living wage and stop freeloading off the government.