



IT WON'T HOLD WATER---

The Argument

THAT THE SPECIAL TAXES ON SOFT DRINKS, COSMETICS, CIGARS AND CIGARETTES, CANDIES AND ADMISSIONS IS PAID BY THE PUBLIC, AND THAT, THEREFORE, THESE SPECIAL TAXES ARE JUSTIFIED, IS LIKE A SIEVE. IT WON'T HOLD WATER.

The State of South Carolina has the power to levy these special taxes and to provide for their payment by the consumer, but the State has no power to compel the public to consume these specially taxed articles at the higher price. This was proven when the women refused to pay the 20 percent on cosmetics and this tax was accordingly cut down to 4 per cent.

All business within the State should be placed on a competitive tax basis, and it is the duty and the proper function of the State to, not only provide an equal tax basis within its borders, protecting business and industry from discrimination, but it would be a splendid economic policy for the State of South Carolina to adopt to place its taxes affecting business and industry on a competitive basis with the tax schedule of other States.

It is not reasonable to assume that there will be the volume of business done at the higher price (with the tax added) as before. Loss in volume of business means loss of legitimate profits. That's one way in which the bottlers and dealers in these taxed articles are penalized--Some of them almost to the point of bankruptcy.

They are also penalized through the requirement that they advance the amount of the tax (in bulk) to the State before it is collected on sales made. Therefore, although their volume of business is materially cut down, a larger amount of capital is required for the conduct of their business. Money is worth 8 per cent interest in South Carolina. But the bottlers and dealers in taxed articles are compelled to advance this money to the State UNDER HEAVY PENALTY and without interest, although they may have to borrow it from the banks at the regular interest rate. The compulsion is all on the bottlers and dealers, who are required to act as Tax Collectors for the State, keeping detailed records entailing endless work, although serving without compensation.

The Consumer Pays the Tax--Ultimately--But He Pays It Only Once. The Bottlers and the Dealers Pay It Over and Over Again and in Many Different Ways.

Speak to Your Representative in the Legislature
About This Discrimination.

**CITIZENS COOPERATIVE TAX ASSOCIATION
OF SOUTH CAROLINA**