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Soak the Rich, Lose the Rich

By Arthur Laffer and Stephen Moore

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With states facing nearly \$100 billion in combined budget deficits this year, we're seeing more governors than ever proposing the Barack Obama solution to balancing the budget: Soak the rich. Lawmakers in California, Connecticut, Delaware, Illinois, Minnesota, New Jersey, New York and Oregon want to raise income tax rates on the top 1% or 2% or 5% of their citizens. New Illinois Gov. Patrick Quinn wants a 50% increase in the income tax rate on the wealthy because this is the "fair" way to close his state's gaping deficit.

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