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### **Millionaires aren't fleeing Md.**

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Laura Smitherman is a great reporter, so I'm sure she can't be blamed for the misleading headline of her Nov. 24 story "Md. Lost Nearly 30% of Millionaires Last Year." This headline gives the false impression that millionaires are fleeing Maryland due to the modest increase in state income tax levied on them last year. Such an impression is easily disproved -- as the evidence in Ms. Smitherman's own article makes clear.

She points out that the number of Maryland tax filers reporting income of \$1 million or more fell from 7,067 in the 2007 tax year to 4,910 last year -- a drop of 2,157 filers. Ms. Smitherman acknowledges this drop "is far larger than during the economic downturn in the early part of this decade, but the current recession is much worse," which indicates that it's impossible to blame the drop-off on the new tax without considering the unusually sharp recession.

Moreover, Ms. Smitherman acknowledges that of the decrease of 2,157 millionaire filers, only 542 did not file a Maryland tax return of any kind. Ah-ha! So it turns out that in fact, the maximum number of millionaires fleeing Maryland to avoid income taxes cannot possibly be larger than 542. Thus, if even every single one of those 542 fled our state for tax purposes, that would make for an 8 percent drop in millionaires that could be attributable to the rate increase.

But then Ms. Smitherman's article shows that this 8 percent needs to be shaved down further because, as she points out, some died, some move each year regardless of the tax structure, and "a certain percentage of millionaires in one year don't file the next year. In 2008, that figure was 7.7 percent." So the final figure of millionaires who fled our state due to taxes is certainly less than 8 percent of the total number of pre-2007 millionaires.

Balance that miniscule loss of millionaires against the huge benefit of extra revenue for state government at a time of draconian budget cuts, plus making Maryland's regressive income tax code a bit fairer. At a time of massive unemployment and plummeting living standards for blue-collar Marylanders, why would The Sun devote even one column-inch to such a dubious "problem"?

Sean Dobson, Baltimore

The writer is executive director of Progressive Maryland.

Sincerely,

Sean Dobson

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