



Lawmakers are wrong on big-box incentives

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The S.C. General Assembly didn't take long last week to override plenty of Gov. Mark Sanford's vetoes, and its members made some mistakes.

Some people think lawmakers did the right thing to reinstate a bill that offers incentives to lure a Bass Pro Shop to a proposed \$295 million urban-village style commercial development near Greer.

The incentives were similar to ones granted last year when Cabela's, a Nebraska-based big-box company, decided to open a store in North Charleston.

Some people see Bass Pro Shop and Cabela's as more than big-box retailers. They view them as entertainment centers, and some say you have to reserve a day in order to see the entire store.

That might be true, but others find just as much entertainment wandering through the isles of Grayco on Lady's Island or Lowe's or Home Depot or Wal-Mart -- or any number of small businesses that sell some of the same items.

The millions in incentives for Cabela's was the first time the state gave a retail business an advantage over mom-and-pop stores, but it turns out not to be the last.

Incentives in the law that lawmakers resurrected provide sales tax and job creation tax credits to an "extraordinary" retailer -- no more than four statewide -- that locates within two miles of an interstate. The retail store has to generate 2 million visitors per year to qualify.

The package granted to Cabela's last year includes a \$2,500 per-job tax break every year for five years -- amounting to \$3.75 million. Cabela's also would receive up to 50 cents in rebates on every dollar generated in sales tax -- which could total \$1.4 million per year that no other retailer gets, according to the governor's Web site, and the rebate could last for years.

Most of these are incentives that the average small business or chain retailer will not receive.

The face of South Carolina is changing fast. A great component of the diversity of the Palmetto State has been its mom-and-pop stores. Big-box retailers hasten the homogenization of the nation and send mom-and-pop stores packing.

Many factors go into changing the face of a community and its retail sector, but tax incentives that benefit only one class of store shouldn't be among the elements.

The homogenization of South Carolina to be like other states might also hasten its demise as a one-of-a-kind place to visit. That also is a competitive edge that can't be replaced.

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