Defending Mickelson

Top golfer Phil Mickelson became a social-media whipping boy last week for saying high taxes were forcing him to consider “drastic changes,” in his life. We suppose these could include moving away from California, or possibly quitting golf.

Liberal bloggers had a field day, with some sarcastically saying we should all chip in to help the poor guy out with his burdens. But this criticism masks the facts.

Even if Mickelson retired from playing golf, he would earn enough from ads, appearances, and maybe golf-course design to put him in the top tax bracket. He would pay 39.6% in federal income tax and 13.3% in state taxes to California. Factoring-in sales taxes on consumption, the total moves to 55%.

But it gets worse. Mickelson already has enough wealth to satisfy him and his wife for the rest of their lives. So, in effect, he’s really just working for his kids. But his estate, which is taxed at a 40% rate when he dies. After this death tax, his children will be able to consume only 29 cents for every $1 their dad earned, 26 cents if we include California sales taxes.

No one is arguing his kids are headed for the poorhouse. But knowing how little extra spending he can generate from extra work, Mickelson and other high earners would be crazy not to consider “drastic changes.” When golfers, business executives, brain surgeons and many others retire early because of high tax rates, we all end up losing. We pay more for what they produce and the government gets less revenue.

Free citizens have choices, like where to live and whether to work. When the government breaks the basic link between how much government costs and the benefits it provides to taxpayers, it is the government that should come under scrutiny, not the citizens that consider making changes to avoid the cost.

French actor Gerard Depardieu recently fled France’s confiscatory tax hikes, taking up Russian citizenship and heading for Belgium, instead. The only way to stop this migration is for politicians to make “drastic changes” in the size, scope and cost of government. Until then, individuals, like Mickelson, will react to protect themselves.

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