



Romney's Taxes: So How Much Is 13 Percent?

By: Bob McTeer

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A front-page headline in today's [New York Times](#): "Romney Says He Paid At Least 13% in Income [Taxes](#)" over the last 10 years. That sounds low, but it represents lots of dollars. Which is more important, percentages or dollars? I hope the American people give that some serious thought.

I've always struggled to overcome my own shortcoming of being "penny wise and pound foolish" and giving percentages more weight than they deserve. My most egregious failure occurred in Soule, South Korea, during the 1997-1998 Asian financial crisis. A couple of us went to a well-known shopping district to look for bargains. I found some beautiful silk ties and bought three for \$7.00 each. There were a couple of \$10.00 ties that I also liked very much, but I couldn't bring myself to pay almost 43% more than I was paying for the first three. I knew \$10.00 was a good deal, but not nearly as good as \$7.00. I wasn't going to be a chump. (By the way, these were local brands, not knock-offs.)

Buyers' remorse—or, more accurately, non-buyers' remorse—didn't fully set in until I was back home seeing similar ties for over \$100.00 each. My frame of reference changed. I remind myself of my tie stupidity as I fight the tyranny of percentages every day. Even so, I still occasionally go to another store to save 10 percent even when the dollar savings wouldn't cover the additional cost of gasoline and time. I try not to sweat the small stuff, but I can't help it. The small stuff usually wins.

I hope I'm in the minority on that, but I fear I'm not. In Mr. Romney's case, 13% is a heck of a lot of money—much more than my 30% or so. If he'd asked my advice, I would have told him to announce the amount rather than the percentage. At least make the critics do their own arithmetic