
Edited from an article by
Arthur B. Laffer and Stephen Moore
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In the years to come, millions of people, thousands of businesses, and tens of billions of dollars of net income will flee high-tax blue states for low-tax red states. This migration has been happening for years. But the Trump tax bill’s cap on the deduction for state and local taxes, or SALT, will accelerate the pace. The losers will be most of the Northeast, along with California. The winners are likely to be states like Arizona, Nevada, Tennessee, Texas and Utah.

Also in big trouble are Connecticut and Illinois, where the overall state and local tax burden (especially property taxes) is so onerous that high-income residents will feel the burn now that they can’t deduct these costs on their federal returns. On the other side are nine states—including Florida, Nevada, Texas and Washington—that impose no tax at all on earned income.

Last week the two of us, along with co-author Jonathan Williams, released the 11th annual edition of “Rich States, Poor States,” a report published by the American Legislative Exchange Council. The report ranks each state’s economic outlook using a range of variables. One is domestic migration: Are the U-Haul trucks and vans moving people in, or moving them out? Over the past decade, about 3.5 million Americans on net have relocated from the highest-tax states to the lowest-tax ones.

Now that the SALT subsidy is gone, how bad will it get for high-tax blue states? Very bad. We estimate, based on the historical relationship between tax rates and migration patterns, that both California and New York will lose on net about 800,000 residents over the next three years—roughly twice the number that left from 2014-16. Our calculations suggest that Connecticut, New Jersey
IDEAL-LIVING SURVEY
What are people looking for in retirement?

2018 ideal-LIVING survey findings indicated that the top reason people plan to relocate in retirement is lower taxes.

This winter, ideal-LIVING hosted six real estate shows in major cities in New York, Illinois, Connecticut, Pennsylvania, and Virginia. We surveyed over 650 individuals to find out what they want and have noted some survey findings in this newsletter. For more details or to request our 2018 Executive Summary, contact your ideal-LIVING Sales Representative (800) 736-0321.

All the Best,
Michael Hackeling
President, RPI Media, LLC

Top 6 things people are seeking in a new home:
- First-Floor Living
- Large/Open Kitchen
- Energy Efficiency
- Maintenance-Free
- Outdoor Living
- Separate Master Suite

The following amenities are important:
- Walking Trails ......................................85%
- Wellness/Fitness Center ........................74%
- Dining ..................................................66%
- Travel ...................................................63%
- Sense of Community ............................62%
- Swimming Pool ....................................49%
- Social Clubs .........................................56%
- Cycling .................................................41%
- Town Center & Shopping ....................41%

The ideal-LIVING Choose Your Ideal Place Guide is distributed to thousands of Show attendees and others seeking relocation information. The Guide contains a lifestyle questionnaire, geographic comparative information and discovery travel offers to help people find their ideal community and home. Ask your sales representative about pricing & availability, (800) 736-0321.

What do people want to do when they take a discovery visit?
- Tour the Surrounding Area .............89%
- Preview Model Homes ......................85%
- Dine at the Club ...............................53%
- Visit a Home Design Center ..........45%
- Meet Community Ambassadors.......35%
IDEAL-LIVING SHOWS
ALMOST 50% INCREASE IN ATTENDEES OVER LAST YEAR

Tax law changes and the long cold winter prompted strong attendance at all 2018 ideal-LIVING shows. Several 2018 winter ideal-LIVING shows had record attendance. Highlights from our winter shows:

• Attendance UP 48% over ‘17 winter shows
• 5,928 registrations
• 55% of all attendees were new leads
• 8 out of 10 attendees plan on taking a Discovery Tour

For attendee survey findings call us (800) 736-0321.

SPIKE IN ONLINE TRAFFIC

Timing is everything and with the recent tax law changes on baby boomer’s minds, ideal-LIVING sent out an e-blast accenting some states with desirable tax laws. Timely information about these tax law changes drove a significant spike in online traffic from baby boomers/pre-retirees. Our recent “Tax Friendly States” campaign to 72,000+ opt-in, ideal-LIVING generated the following strong response:

• 3,400+ community requests
• 14,000+ community page views
• 3,000+ click throughs to community websites
  (All during a 24 hour period!)

These prospective buyers were compelled by a theme of relocating to lower tax environments and extended across ALL price points ($300k to $1 million plus). Taxes are on the minds of buyers today and ideal-LIVING continues to be the marketplace for buyers of retirement and second homes.

Are you ready to position your community in front of the next wave of buyers on ideal-Living.com? Contact your ideal-LIVING Sales Rep today! (800) 736-0321

Ideal-LIVING has worked with iContact extensively and has been credited as a study in success.

“I have worked with ideal-LIVING as their email marketing consultant for 2 years and, from the start, I’ve shared their successes with other clients as a model for what’s possible when you pursue excellence in marketing. Ideal-LIVING’s open and click rates consistently beat the industry average because they stick to email marketing best practices: they perform routine list hygiene and target their most-engaged subscribers, they’re attentive to their subscribers’ shifting preferences, and they pay close attention to their subscribers’ experience at every touchpoint. But they don’t just care about what they do, they care about the people they work with, too. Ideal-LIVING is a company of genuine people and that shines through in everything they do.”

– Steven Rausch, Deliverability Strategic Advisor II, iContact
and Minnesota combined will hemorrhage another roughly 500,000 people in the same period.

Red states ought to brace themselves: The Yankees are coming, and they are bringing their money with them. As the migration speeds up, it will raise real-estate values in low-tax states and hurt them in high-tax states.

Mr. Laffer is chairman of Laffer Associates. Mr. Moore is a senior fellow at the Heritage Foundation. They are co-authors of the ALEC annual report “Rich States, Poor States.”