



Rollin' On [®]



An Electronic and Facsimile Newsletter for the Transportation Industry

Volume VIII, Issue 10

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October 2002

INTERSTATE DRIVER/TAXES, DELAY DAMAGES, STRIKES, ELECTION, DEFICITS & INTEREST RATES

Interstate truckdrivers state income tax exemption; exception in Oregon

Federal law provides that interstate truckdrivers are exempt from state income taxes, since they could otherwise be exposed to multiple taxation. However, the Oregon Dept. of Revenue has recently started to assess state income taxes on interstate drivers employed by nonprofit entities, reasoning that their nonprofit employment disqualifies them. Oregon is the only known state to make this absurd claim. These drivers are already making a reduced salary. I've filed an appeal (on a pro bono basis) on their behalf.

Delay damages dilemma

Damages resulting from delay are difficult to prove. More worrisome, they are often very difficult to recover, since the law frequently requires that the wrongdoer have prior notice or knowledge of what damages might occur due to delay. Many insurance policies exclude delay damages.

Don't crowd me, buddy, I'm working although it may be hard to tell.

Speaking of delay: The Taft-Hartley law has been invoked to get the nation's commerce moving once again. However, that law has a poor record of resolving labor disputes, and the union is engaged in yet another slowdown so this latest episode is off to a poor start.

We've got 10,500 people who are able to bring this country to its knees by virtue of their monopoly on the docks. The longshoremen average \$114,500, while the marine clerks average \$137,500. They work maybe five hours a day with benefits

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packages that are greater than the average **gross salary** for the ordinary working person. They slow down their work, then complain about being locked out. They cause factories around the country to shut down, for truck drivers to sit idle (12,000 owner-operators in Southern California alone) although their expenses don't sit idle.

And then there was their attempt to collect unemployment benefits, feeding at the public trough while ordinary working people, in many instances earning less in one week than these guys do in one day, would foot the bill.

These jobs are hard to get as they are handed down within the family.

All of this has occurred during the holiday shipping season. Farmers have seen the fruits of their labors rotting on the docks. The future of many businesses, built up painstakingly over years and decades and even generations, is threatened by this selfish conduct.

They want to control the new technology jobs, although they've received job guarantees for all current workers. In the meantime, **millions** of working people across the country have been laid off during the past year. Individual companies have laid off more than 10,500, like Delta Airlines, which just announced 8,000 more layoffs on top of 21,000 earlier layoffs. And with its abuse of power, the union wants control over the new jobs?

Meanwhile, carriers' equipment positioning is out of whack. So too are the hundreds of ships that are arriving. Several have been rerouted to other ports, which means the containers

have to be moved via truck or rail back to their original intended destination for which is there is additional cost.

All of this to placate the desires of the few to the detriment of the nation.

This me-first behavior has no place in the US. or world economy. What happens on the docks affects people from Oregon to the East Coast to around the world. Legislation should be passed to outlaw future dock strikes or slowdowns. The welfare of the other 99.996 % of the US population is at stake. There are tens of millions of Americans who would love to have those jobs at less than half of the pay and benefits. And they would gladly put in a full day's work.

Elections

Control of both the House and Senate is up for grabs. Expect the Democrats to harp on unemployment, the economy and the stock market. The Republicans will counter with war. Bush # I was extremely popular when we invaded Kuwait, but that was a distant memory 18 months later when he lost his re-election bid. Bush # II certainly wants to avoid that same result.

Congress is returning after the elections for a rare lame duck session, in view of its most unproductive session in nearly 20 years.

Deficits & Interest Rate Redux

Lock in your interest rates, as the federal deficit is returning, bringing with it increased government borrowing and hence higher interest rates.

Switch to email

Just email me your company name and fax number where **Rollin' On** is currently being received, and you'll be switched over.

That's all for now. Until next time, keep (or get) the cargo *rollin'*!

Short Bio

Admitted to the state bars of Oregon, Alaska, Florida and Massachusetts. Practicing law for over 25 years and emphasizing transportation law, business law and related litigation.

The Obligatory Disclaimer

This newsletter is for informational purposes, does not provide legal advice and does not create an attorney-client relationship.