

NEWS

NC Sen. Chuck Edwards, with tax break on \$1M PPP loan, opposes student loan tax breaks



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Gov. Roy Cooper has called for the General Assembly to waive taxes on forgiven student loans - but he is facing opposition from state legislators, including those who passed a law giving themselves tax breaks on forgiven federal PPP loans.

Among them is state Sen. Chuck Edwards who had a \$1.1 million in Paycheck Protection Program loan forgiven and championed legislation making such loans tax deductible. Edwards is running as the Republican candidate for Western North Carolina's 11th District congressional seat.

Responding to Sept. 19 questions from the Citizen Times, Edwards said the two types of loans should not be compared and accused those who did of "playing fast and loose with the facts."

"PPP loans benefited employees, it saved their jobs. College loan forgiveness benefits one person and undermines the basic principles of personal responsibility," he said.

Read this: Who is running in Nov. 8 election? Absentee ballots already being mailed in.

From USA TODAY: Nearly half of US governors, all Republican, demand Biden withdraw student loan forgiveness

But 11th District Democratic candidate Jasmine Beach-Ferrara backed the idea of eliminating the taxes, saying it would help working families "struggling under a pile of student loan debt."

Beach-Ferrara called Edwards' opposition to the tax break "striking" considering his sponsorship of a bill to give PPP loan recipients a double tax break.

State taxes amount to \$525 per \$10,000 of student loan debt forgiven through President Joe Biden's executive action.

Edwards has panned the idea of easing student loan burdens before, saying in an April 6 tweet it was "unfair."

"What about the young person who takes a loan to buy equipment and goes to work after high school vs. college?" said Edwards, 62, who worked at a McDonald's in high school and now owns multiple franchises of the restaurants in seven states. Edwards does not have a college degree but took classes at Blue Ridge Community College.

Also in April he defended sponsoring the bill to make PPP loans tax deductible. The loans were already non-taxable, so the deduction added another layer of benefit that amounted to at least \$40,000 for him, according to WBTV in Charlotte.

Edwards said the legislation was not motivated by self-interest and that the benefit was spread over a "broad base of business owners."

"I came here to Raleigh to represent the interests of business. I think that what makes the legislature in North Carolina so strong is that we have a diverse group of backgrounds and that we should rely on the experience from that diverse group of backgrounds to formulate legislation that effectively represents the citizens of North Carolina," he said.

Republicans hold the majority in the General Assembly and have said their taxation and other pro-business policies helped spur North Carolina's economy, landing it at the top of CNBC's list of business-friendly states.

But Beach-Ferrara said policies should also focus on workers and their children.

"Too many of our working families are struggling under a pile of student loan debt. I applaud this action by Gov. Roy Cooper and hope that the legislature will swiftly act. I also support debt relief of \$10,000 for loans and \$20,000 for Pell Grants for middle-class families at the federal level. Chuck Edwards opposed it."

Beach-Ferrara, 47, a United Church of Christ minister, graduated from Brown University and Harvard Divinity School. Her student debt has been paid off, she said, and she did not receive a PPP loan.

But Edwards in his Sept. 19 comments called the student debt forgiveness "another inflation-causing attempt to save an election for the very liberals who have wrecked our economy."

"PPP was designed to save jobs and I'm proud of the jobs I've created," he said.

Joel Burgess has lived in WNC for more than 20 years, covering politics, government and other news. He's written award-winning stories on topics ranging from gerrymandering to police use of force. Got a tip? Contact Burgess at jburgess@citizentimes.com, 828-713-1095 or on Twitter @AVLreporter. Please help support this type of journalism with a subscription to the Citizen Times.