

April 2009 - Overhaul of Federal Tax Code Necessary

OVERHAUL OF FEDERAL TAX CODE NECESSARY

By Congressman Jerry Moran

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This is the season when you and I struggle to find receipts, understand tax forms and get to the post office on time. Tax season always stirs a memorable quote, "A fine is a tax for doing something wrong. A tax is a fine for doing something right." An overhaul of our federal tax code is necessary.

Congress is currently studying numerous tax reform proposals, including one called the Fair Tax. This legislation would replace taxes on what you earn with taxes on what you buy. All corporate and individual income taxes, payroll taxes, self-employment taxes, capital gains taxes, estate taxes and gift taxes would be repealed. The Fair Tax would do away with the Internal Revenue Service, enable workers to keep their entire paychecks, and bring transparency and accountability to tax policy. Reform is needed to address the complexities of our broken tax process.

As taxpayers, we deal with a tax system that is complex, confusing and burdensome. It impedes our nation's economic growth and rewards those who are able to manipulate it to their goals. It punishes productivity — if you make more, you are taxed more. Americans deserve better. The Fair Tax Act is the right answer to simplify the process.

The IRS estimated that individual taxpayers and businesses spend 7.6 billion hours each year filing their taxes. In perspective, that's 3.8 million employees working full time for an entire year. We desperately need a common-sense tax system that is simple and growth-oriented. However, instead of tax simplification and tax relief, Americans this year will be facing the same broken tax system and a budget proposal that increases their taxes to pay for more spending.

During my time in Congress, I have been a strong advocate of lower and fairer taxes. The Fair Tax is a simple and honest tax. In this time, where our nation's debt is soaring, a transparent process that is applied fairly across the board to businesses and families may be a solution for our economy. Americans are struggling and we need to get the country moving. The Fair Tax could encourage an environment to incentivize savings and stimulate the economy by encouraging new investment. Reducing the burden on America's taxpayers is a priority.

An overhaul of our federal tax code is needed to address the complexities of our current tax process. Kansans are working hard every day to get by during these difficult economic times. We need to reform the tax process and implement the Fair Tax so that individuals, families and businesses have the resources they need to prosper.

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