

THE WEEK

How to fix America's broken tax system: Let taxpayers decide where their money goes

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Every year when I file my taxes, there's one question for which I never have to double-check my answer: "Do you want \$3 of your federal tax to go to the Presidential Election Campaign Fund?"

No, *absolutely* not.

I spend enough time unsubscribing from campaign spam as it is, so I'm certainly not going to let the IRS give money to candidates I don't even like. But as much as I will never in a million years check yes on that form, I like the fact that I get the chance to say no.

In fact, I'd like to see a lot more questions like this on my tax forms. Do I want my taxes spent on health care programs? Agriculture? The military? NASA? Interest on the national debt?

Whatever their vision for government, taxpayers should be permitted to put their (tax) money where they want.

From the taxpayers' side, it's an issue of principle and conviction. Many Republicans, for instance, object to abortion on ethical and/or religious grounds. Indeed, defunding Planned Parenthood was a point of contention in budget negotiations earlier this fall. Why should pro-lifers have to pay to support organizations that provide a service they abhor?

Along similar lines, should civil libertarians have to contribute to the NSA budget? Should pacifists be forced to buy drones and bombs? Should Occupy Wall Street types have to finance bank bailouts? Should drug war opponents pay to shut down medical marijuana growers? Should Black Lives Matter activists fund the Pentagon's 1033 program, paying to funnel military equipment to the police departments they want to demilitarize?

From the government's perspective, allowing taxpayers to determine the federal budget could stop ill-conceived projects before they spiral out of control.

Thinking back to the Bush years, would America still be embroiled in Iraq if taxpayers were able to decide back then whether to fund that war? As early as summer 2004, a little more than a year past the 2003 invasion, public opinion tipped toward the conviction that sending troops into Iraq was a mistake. Americans were similarly unhappy about the war in January 2005 — right when tax forms with a question about war spending might have shut that whole misadventure down.

Allowing taxpayers to distribute their own tax dollars is still relevant on the foreign policy front today. Recent polling suggests Americans are intensely pessimistic about the prospect of success in the 14-year war in Afghanistan, and their opinion of President Obama's handling of ISIS

declined with the ramp up of U.S. intervention in Iraq and Syria. Fears of terrorism have Americans drifting hawkish, but the last decade's trend toward noninterventionism suggests this appetite for more war may soon end.

Either way, getting taxpayer approval to place troops on new ground might prove a more effective limit on presidential warmaking ability than the Constitution and the War Powers Act have come to be. The Obama White House — waging war on ISIS under the umbrella of an Authorization for Use of Military Force (AUMF), which was drafted years before ISIS existed — is clearly willing to bypass Congress to start and maintain several low-key conflicts. Would administrations be able to expand the wars so easily if they had to convince the public to pay for them?

The process for giving taxpayers the fiscal reins would, of course, be subject to intense debate. As the Cato Institute's David Boaz mulled when advocating such a system at the *Washington Post* this past Tax Day, "Spending interests would want to use broad categories — national defense, health, education, job training. Opponents of spending would prefer to narrow the categories so taxpayers can see what they're really buying — defense of Japan and Korea, war in Iraq, farm subsidies, mass-transit 'demonstration' projects in West Virginia, and so on."

Participatory budgeting is already at work on a smaller scale in about 1,500 cities worldwide, offering a diversity of systems we could learn from to determine what might best produce meaningful change, but not fiscal catastrophe. In Porto Alegre, Brazil, for example, local citizens dictate about 20 percent of their city's annual budget, and a few years ago Chicago's 49th Ward successfully asked citizens' advice on what to do with \$1.3 million in discretionary spending.

To extend taxpayer control past 20 percent, it might be wise include a few safeguards like the one Boaz proposes: With a two-thirds majority, Congress could override any truly catastrophic decisions taxpayers made. Similarly, agency spending levels could be averaged across two or three years' worth of taxpayer suggestions, blunting quick swings of public whim while still accommodating real shifts in national opinion.

These details and more would take some hashing out, to be sure, but could it really be worse than the ongoing will-they-or-won't-they shutdown drama we presently tolerate?

The country could also test this idea without actually implementing it. Adding a trial allocation form to tax documents for a couple years for data collection purposes would be hugely informative as to what parts of government Americans really like enough to bankroll.

Of course, it's possible that little would change: Perhaps the left's willingness to finance social programs and the right's eagerness for a plush military budget would produce roughly the same spending ratio we have right now.

But if I had to guess, I'd say we'd see taxpayers *en masse* suggesting some pretty significant changes. And though my more cynical impulses deride this even as I type it, maybe we'd see some significant changes in Congress' spending habits, too.