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## Increasing Taxes Increases Spending

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Many of us suspected as much, and now the proof: for every extra dollar of "revenue enhancement" the government gains, it spends anywhere from \$1.05 to \$1.81, depending on the model [used](#). Why is this important now? Slide 22 of the Co-Chairs' [Proposal](#) of the National Commission on Fiscal Responsibility and Reform urges that our politicians "Lower Rates, Simplify the Code, and Broaden the Base" (read "increase taxes"). In addition, Alice Rivlin, a commission member, has her own plan, which would impose a 6.5% national sales tax.

I have lost track of how many news articles and op eds and editorials I have seen hailing the work of the National Commission on Fiscal Responsibility and Reform as "bold" or "innovative." (Should anyone doubt the bona fides of that august body, "bi-partisan" is festooned all over the official [website](#).) What is "bold" about increasing the retirement age to 69 by 2075 (see Slide 45 of the Co-Chairs' Proposal)? Each sterling member of the "bi-partisan" commission will be long dead. Why not just say, "Let another generation fix it"? The commission is not without a sense of humor though: on Slide 6, the second bullet under "Demand Productivity and Effectiveness" declaims sternly: "Set goal of 3% annual productivity growth for the public sector." Giggle, snort.

The list of groups allowed to testify before the commission is instructive. The third item from the top of the news [page](#) is entitled "Presidential commission hears testimony and ideas from 75 groups and individuals." A cursory glance shows that the witness list is heavily tilted to the left. The few token conservative organizations (Cato Institute and Heritage Foundation) are far outweighed by the AFL-CIO, ASCFME, American Association of University Women, Association of American Universities, Bread for the World, National Gay and Lesbian Task Force, Physicians for a National Health Program, Service Employees International Union ... The National Immigration Forum testified -- why wasn't the Federation for Immigration Reform called? Where's the National Rifle Association? The John Birch Society? Heck, where's the American Nazi Party? They're at least as respectable as the Progressive Policy Institute. But don't worry -- the commission was "bi-partisan," and oh so "bold."

I can recall when many states did not have sales tax. When first introduced, the rate was usually 2 or 3%, and it was often touted as being "for the children." Now there's plenty of jurisdictions where the tax is 7 or 8% or more, and still they need more, more, more dollars "for the children." Spending on public education, in real dollars, tripled between 1960 and 2000, yet the chorus of experts never wearies of chanting, "You're underfunding education -- and health care and the arts and ..."

Giving more tax monies to politicians is like giving \$100 to a member of Gamblers Anonymous and sending him to a casino to flush his system of the urge to gamble.

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