

The Arena

Apr. 16, 2012

Buffett Rule - gimmick or fairness?

Roger Pilon *Vice President for Legal Affairs, Cato Institute :*

Not only will the "Buffett Rule" not reduce the national debt, but because it's meant to offset the revenue lost from changes in the Alternative Minimum Tax, the combined effect will be to *increase* the debt. To quote from [Saturday's Wall Street Journal](#): "The Joint Tax Committee—the official scoring referee on tax bills—calculates that the combination of AMT repeal for the middle class and the Buffett tax would *add* \$793.3 billion to the debt over the next decade."

Far worse than that, as a tax on capital, the Buffet Rule will drive investment, and jobs, overseas. But will "fairness" win in November, even if not this week in Congress? As a Democratic wag once said, "You can fool all of the people some of the time, and some of the people all of the time, and that's good enough." We shall see.