



Monday, April 12, 2010

Should the United States Switch to a Flat Tax or Keep the IRS's Status Quo?

Posted April 9, 2010

It's [tax](#) time again, leaving many Americans asking why the process has to be so hard and some calling **tax laws unfair** to the poor and middle class. Flat tax proponents like Daniel Mitchell, a senior fellow at the Cato Institute, say it is both easy and fair. If Bill Gates makes 100,000 times more [money](#) than you, he pays 100,000 times more taxes. Besides, the only form you need is a postcard. If it's so simple and great, counters economist Holley Ulbrich of the Strom Thurmond Institute at Clemson University, why has no major industrial nation chosen it? She admits our tax system is imperfect, but argues that "imperfect" is better than "untested."

What do you think? **Is a flat tax just one more way to make the rich richer? Or is it time to change the system?** Take our poll and post your thoughts below.

Should the United States Adopt a Flat Income Tax?

- Yes
- No

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Tags: [income tax](#)

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US News Flat Tax Poll

Unfortunately, this poll is rigged to only accept votes from those who can navigate their way through the most unnecessary and cumbersome secure account system that I have ever seen for a push-button poll, so these numbers are skewed from the start.

Like the notion posted in this poll, most Americans believe the tax system should be changed. Most of those folks believe the Fair Tax is the better choice, as it would eliminate the Fed's ability to use the tax rate itself like a slide rule, moving it up or down, depending upon the philosophy of the current President. With the Flat Tax, it would be very plausible for our wonderful gang of politicians on Capitol Hill to figure out a reason and a way to do just that.

The Fair Tax would eliminate the IRS as we know it and any need for so-called "tax breaks". It would also eliminate the need for individual tax records, as they would be taxed upon what they consume. Also: no business-to-business tax, which should reduce the cost of goods and services. It (theoretically) would put the US back in competition with importers, if the corporations are required to pass the savings along to the consumer.

Consider the on-average 14% you pay for annual income tax, add your local 10% (avg) sales tax on anything you consume, you will be paying almost 1/4 of your earnings over a year to cover your taxes which you still have to spend some amount of personal time to prepare, file and.... wait for your results, whether it's a refund, payment, whatever.

Now consider removing the cost of a huge mechanism that is the IRS from calculating our money would be an effective savings of 10 billion a year. You have NO withholdings from your paycheck. It's yours. You earned it. Now, every time you buy something or spend your income in any way, a tax of 20 - 22% is placed on it.

This is an immediate savings of a few percentage points -- that's cash that STAYS in your bank and your wallet. And all of government is still receiving effectively the same amount of taxation

B Johnson of TX

Apr 12, 2010 02:20:38 AM

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Tax

We have a system that even the people in the IRS cannot explain how to fill out the rax forms. Why are we paying them not to know?

I had to pay to have my taxes made out,I had no deductions so it was the short form and it cost me \$65. I mailed them and they came back, the envelope was torn open, my check for \$600 was hanging out and it was marked "insufficient postage". I had to pay to have the short form weighed so it could be mailed. Is this a great system or what? This best part was when the guy in the Post Office laughed at me and said I was lucky to have mailed it in early. He knew people who had to pay a penalty besides.

Joseph L Woytowicz of MI

Apr 11, 2010 09:28:17 AM

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Also...

It has been reported that a little less than 50% of the population doesn't pay taxes. What is up with that? I sincerely doubt it's the rich or people wanting to become the next Secretary of the Treasury who are not paying.

Dr. Shade of NC

Apr 10, 2010 18:07:02 PM

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