

The "Income Tax Is Good" Myth

Written by Dr. John E. Russell Sr - Last Updated Wednesday, 06 August 2014 00:09

The flat tax proposal is an attempt to patch up a flawed idea. The IRS is an "evil empire" and needs to be abolished. The IRS is trampling our Constitution underfoot. It should be replaced with a national retail tax.

The stealth (invisible) Value Added Tax must be banned. Otherwise, socialists will tax our nation to death.

There are at least 16 excellent reasons for abolishing the IRS and *replacing* income tax with a federal sales tax:

- 1. It would save the taxpayers' money.** It costs individuals about 168 billion dollars annually to complete their returns. Individuals waste about 1.8 billion man hours preparing their returns and businesses waste about 6.6 billion man hours preparing tax returns! Also, it costs the American taxpayers 14 billion dollars to administer the tax law!
- 2. It would be more fair.** Loopholes would be closed that allow some to avoid taxes. They would carry their share of the tax burden. Most people, even criminals, purchase goods and therefore pay sales taxes.
- 3. The IRS is unable to collect a total of about 400 billion dollars in taxes each year!** About 127 billion dollars remain uncollected from 10 million individual taxpayers each year. As it now stands, honest taxpayers carry the extra burden. Everyone pays retail taxes--even criminals!
- 4. The IRS employs 90,000 people, who would go into the private sector and pay taxes rather than take them.** Most people who work for the government are sincere. However, the IRS is ill conceived, manipulative, wasteful and abusive. We should treat the IRS employees fairly in the transition.
- 5. The IRS is unconstitutional in the intent of the framers.** AMENDMENT XVI was a serious mistake and the IRS illustrates it! This amendment must be revised:

AMENDMENT XVI.

[The Sixteenth Amendment was ratified February 3, 1913.]

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration.

Here is a suggested revision of the Sixteenth Amendment of our U.S. Constitution:

AMENDMENT XVI.

[The Sixteenth Amendment was revised 6 August 2015.]

Taxes on incomes by all levels of government shall be abolished. The IRS shall be abolished and all its records destroyed before 1 January 2015. All levels of government must destroy income tax records before 1 January 2015--city, county/parish, state, federal, and any other level of government that exists or shall be established.

All property taxes on all levels of government shall be abolished and all records destroyed before 1 January 2015.

All government income shall be through retail taxes only. The rate shall be approved by a two-thirds majority of the citizens affected--city, county/parish, state, federal, and any other level of government that exists or shall be established.

Pilla gives two unconstitutional premises that the courts have established:

[5.1] The government's overriding need to quickly assess and collect taxes outweighs a citizen's individual right under the Constitution.

[5.2] . . .because of government's "overriding need" for revenue, a citizen in a dispute over the amount of tax owed will be required to *first pay* that tax *before* any court will determine whether indeed he owes it. [Daniel J.

Pilla,

How to Get

Tax Amnesty

(St. Paul: Winning Publications, Inc., 1992), 60-61].

Thus, the Court, with the blessings of the Chief Executive and the Congress have told the IRS to *presume a taxpayer guilty until the taxpayer proves that he is innocent!* (An exception is when the IRS sues a taxpayer.) This flagrant violation of the constitutional rights of citizens results many times in the IRS harassing and taking money from innocent people. Who can stand against a well-funded bully such as the IRS?

The Sixteenth Amendment to the U S Constitution must be repealed and replaced with wording that is constitutional and understandable to common people. This will take an extensive educational effort of our nation by our leadership. Meanwhile, the IRS must be *completely*

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dismantled
must include
all IRS functions!

. This

6. The IRS does not have proper controls and has abused its power over citizens. Many abuses have been published in the

Reader's Digest

. (Read the March 1996

Reader's Digest

article, "When the IRS Comes After You." Also read "IRS ABUSE: How Big Brother Is Bullying You,"

CBN Fact Sheet

, 1997.) Unless the root is removed, i.e., IRS is abolished, IRS will continue to abuse people. If the plant is merely "pruned," it will grow back.

This is not to say that all IRS officers and employees are sociopaths. I personally know some IRS employees who are people of integrity. However, their mission includes practices that are unethical. Ethical employees should stay with the IRS until it is dismantled to keep a few unethical members from abusing citizens.

Those who dismantle IRS should be kind but firm to IRS employees. The government should keep its word and treat them fairly. However, those who have abused citizens' constitutional rights should be tried in criminal courts.

7. Regulations. Any overzealous IRS employee can do almost anything he wants to anyone he wants. Fred Goldberg, the former commissioner of the IRS had to have someone do his taxes, because he did not understand them well enough!

Tax laws include about 1.7 million words and tax regulations about 6.8 million words! What well-meaning human being could work with such a complicated code? What an opportunity for someone with an evil agenda to abuse the law! Citizens and businesses who were not politically correct or who were the "wrong race," etc., could be persecuted very easily.

8. The tax collection bureaucracy for sales tax is mostly in place. States could easily

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transfer the federal share directly to the U S Treasury. States would take a small collection fee. (See a proposed formula in Essay 43.)

9. Dropping income taxes would free money for spending and investment. A Cato Institute study predicted that Americans would save three times more than we now save: from 2.5 to 7.6 percent!

10. Dropping income taxes could triple the national savings rate the first year. Our national savings rate has plummeted from about 9 percent in 1960 to 1 percent in 1992. The lack of savings and a combined consumer indebtedness removes a vital safety buffer. Too many citizens would be wiped out during a personal financial emergency under the present system.

11. By replacing the IRS with a national sales tax, 1 million new jobs would be created over a 10 year period, with a 3 percent overall raise in wages.

12. Since exports would not be taxed and imports would be taxed at the same domestic rate, America would compete better in the international marketplace.

13. Tax lawyers, accountants, and other non-IRS people would enter the workforce and generate viable products and services. Others in the private sector who make money on the present income tax system would adapt and do something constructive. They would no longer get paid for wasting time and money. They would start producing *needed* products and services. Their self-esteem would rise. US citizens tax load would decrease.

14. The present progressive income tax structure penalizes the hard worker and rewards the lazy.

15. Replacing the IRS with a national retail tax would stimulate the economy. Money would move faster, generating more revenue for all layers of government! People would prosper. Revenue would rise correspondingly.

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16. IRS is enforcing the Marxist tenet of the redistribution of wealth. The phrase "redistribution of wealth" is a euphemism describing stealing from the "rich" and giving to the poor. Actually, *it is stealing from the middle class*, who pays most of the taxes. It is interesting to note that Karl Marx lived off income from factories that the Engels family owned while writing against capitalism!

Some may feel that the poor would be hurt. However, we all could do as Texas does: charge no tax on unprepared food. The SSI, foodstamp and commodities programs could be administered by private sector charities.

Some churches believe that their revenue would drop if the IRS were abolished. If people are giving only to get a tax break, then they have a wrong motive:

Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.
2 Corinthians 9:7, NIV

Jesus teaches us to give, expecting nothing in return:

But love your enemies, do good to them, and lend to them without expecting to get anything back.
Luke 6:35, NIV

If we are to give to our enemies motivated by love, how much more to the church! Love is the central teaching of Christ. If people give with the wrong motives--to get instead of to give--their giving is in vain. The church is teaching selfishness.

As it now stands, churches are "owned" by the IRS. The misuse of its own regulations in dealing with churches is well documented. If churches speak out on moral issues that are not politically correct, the IRS can take legal steps to revoke their tax-exempt status. The First Amendment doesn't matter. (See the United States Constitution on this website.)

Texas does not have state income tax. All states, counties and cities should follow Texas'

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example by dropping income tax.

Legislators must not be deterred by selfish lobbyists. The IRS must be abolished now!

Sources

Most of the above statistics are based on

1. Senator Richard Lugar's Testimony before the House Ways and Means Committee Hearings on Tax Reform, 8 June 1995.
2. Senator Lugar's letter to me dated 23 February 1996.
3. Senator Bill Archer's letter to me, dated 23 February 1996.
4. Senator John Ashcroft's letter to me, dated 21 March 1996.
5. Senator Rand Paul's recent email.
6. *Tax Facts*, April 15, 2004. However, the way I have used their material reflects my own views.

Essay 44 (revised), from my eBook, *Essays Exposing the Myths of Political Correctness*. Download this book free at <http://BusterSoft.com/JRCM/>

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In Essentials: Unity; In non-essentials: Liberty; In all things: Charity—Peter Meiderlin 1626.

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