

PROS VS CONS of the 999 Plan

Vision for Economic Growth

- The natural state of our economy is prosperity. Freedom ensures that.
- We must get the government off our backs, out of our pockets and out of our way in order to return to prosperity.
- Policy uncertainty is killing the economy.

999 Plan

- Individual Flat Tax – 9%.
 - Gross income less charitable deductions.
 - Empowerment Zones will offer additional deductions for those living and/or working in the zone.
- Business Flat Tax – 9%.
 - Gross income less all investments, all purchases from other businesses and all dividends paid to shareholders.
 - Empowerment Zones will offer additional deductions for payroll employed in the zone.
- National Sales Tax – 9%.
 - This gets the Fair Tax off the sidelines and into the game.

PROS:

- Sold as revenue neutral.
- Does away with present tax system.
- Will tax the underground economy and organized crime.
- A combination of 'flat' and 'consumption' tax.
- Does away with the IRS.
- Solves the problem with loop holes.
- Solves the Control and Class Warfare issues.
- No need for tax lawyers.
- No need for companies like TurboTax and H & R Block for taxpayer's assistance.
- Makes it easier for a Balance Budget Amendment because it does away with all control issues.

CONS:

- Tax creep. What will prevent the tax growing bigger than it is today.

This Plan requires that Conservatives be elected to Congress, people that believe in small government and less taxes.

The federal government collects taxes in order to finance various public services. As policymakers and citizens weigh key decisions about revenues and expenditures, it is instructive to examine what the government does with the money it collects.

In fiscal year 2010, the federal government spent \$3.5 trillion, amounting to 24 percent of the nation's Gross Domestic Product (GDP). While the level of 2010 expenditures — as a share of GDP — exceeds those of recent years, the composition of the budget largely resembles the patterns of recent years. Of that \$3.5 trillion, almost \$2.2 trillion was financed by federal tax revenues. The remaining \$1.3 trillion was financed by borrowing; this deficit will ultimately be paid for by future taxpayers. All deficits are added to the massive Federal Debt that now exceeds 14.6 Trillion Dollars. China owns most of the United State's debt.

When federal spending grows faster than Americans' paychecks, the burden on taxpayers becomes greater. Over the past few decades, middle-income Americans' earnings have risen only 27 percent, while spending has increased 299 percent.

Is Congress not getting enough tax dollars or are they spending too much money? The best question is how Congress is spending your money. People only pay what is required to pay. Control of the people is what Congress is after not tax revenue. Buying votes and class warfare is common for most members in Congress.

Remember Al Capone was incarcerated for income tax evasion not criminal activities.

The main driver behind long-term deficits is government spending—not low revenues. While revenue will surpass its historical average of GDP by 2021, spending will shoot past its historical average of GDP in the same year.

The three main economic systems are: Capitalism, Socialism, and Communism. Socialism and Communism are similar. Both Socialism and Communism promote the Will of the government over the people. The people have little to gain by working hard.

Socialism only works in two places: Heaven where they don't need it and hell where they already have it."
Ronald Reagan.

Capitalism

In a capitalist or free-market economy, people own their own businesses and property and must buy services for private use, such as healthcare.

Socialism

Socialist governments own many of the larger industries and provide education, health and welfare services while allowing citizens some economic choices

Communism

In a communist country, the government owns all businesses and farms and provides its people's healthcare, education and welfare.

Mike