

TAX PUZZLE?



Can you “Ask” for LESS and “Get” MORE?

History shows when you Lower tax rates - You get More \$\$\$? And . . . Surprisingly, The “Rich” actually pay more taxes than before the cuts

	Decrease in Tax Rate	Increase in Revenue	Increase in Taxes Paid by the “Rich”
In the 1920’s under Coolidge	70% to 25%	61%	44.2% to 78.4%
In the 60’s under Kennedy	90% to 70%	62%	11.6% to 15.1%
In the 80’s under Reagan	70% to 28%	99.4	48.0% to 57.2% (top 10%)
In 2003 under Bush	39% to 35%	Rose by \$780 B	35% to 41%

It’s true. By lowering tax rates, the economies in the 20’s, 60’s, and 80’s, & 2003-2007 surged, raising income levels and quality of life. *WHY?*

When tax rates are lower:

- Your family has more money to spend on what is important to you ó Basic needs, education, vacations, remodeling, charity.
- The wealthy pay more, so the increased contribution of the wealthy, plus the lower rates, lessens the tax burden on the middle class.
- When people keep more of their money, they buy more - furniture, a cell phone, an iPad, or luxury items - which creates a demand for 1) more products and services, and 2) businesses to expand in order to manufacture those products or create the services
- Small businesses, that employ 75% of the working population, often make \$100,000+ and declare their revenue as personal, not corporate income. When taxes are lowered, they have more money left over to expand their businesses and hire more employees to make, market, sell, and support the products or services they provide.

We should re-think excessively taxing the õrichõ who make over \$100,000, most of whom are honest and principled people. In light of the history above, we will gain more, and our economy and job market will be more robust if we keep their taxes lower.

<http://www.heritage.org/research/reports/2003/08/the-historical-lessons-of-lower-tax-rates>

<http://www.heritage.org/research/reports/1996/07/bg1086nbsp-the-historical-lessons-of-lower-tax>

<http://www.ntu.org/tax-basics/who-pays-income-taxes.html>

<http://online.wsj.com/public/page/news-opinion-commentary.html>