

When Taxes are Low, the Economy Can Grow

by Rick McCorkle

The way people are taxed affects their outlook on life and the actual quality of their lives. It's time for everyone to understand how the tax system in America is harming all of us, and how it can be changed to benefit all of us. A flat tax would right the wrongs of the onerous progressive tax system. With a flat tax, everybody pays taxes and has skin in the game. There would be no exemptions and no deductions. Ten percent of \$250,000 is ten times more than 10% of \$25,000, so the person who earns the higher figure is paying **10 times** more money to the government! The money belongs to the individual who earns it. It is not government property which the government allows a citizen to keep a "fair" portion of, which is the way Obama thinks. It has been shown over and over again that when the government allows more people to keep more of their own money, then people are more optimistic and the economy grows and government revenue grows along with it. Liberal Democrats refuse to acknowledge this because it proves that their views are completely wrong. Freedom allows everyone to prosper. Government control causes everyone to suffer.

There should be no capital gains tax at all. It is completely unfair and misleading to equate the income tax with the capital gains tax. When you show up for work as an employee, you're guaranteed an income, but success is never guaranteed when financial risks are taken, and the government has no right to the rewards if success is achieved. If a person is brave enough and smart enough to earn a living by making good investments or by building and selling a business, then he or she should be rewarded by not having to pay any taxes at all on the gains, especially since income taxes were already paid on the original money that was invested. Such people create jobs and provide livelihoods for everybody else. Making lots of money is a good thing that benefits everybody, not something to feel guilty about or be punished for. People who think the government should get more of their money are free to donate all the money they want to the government any time they want, but they never do.

There should be no inheritance tax. All the money that someone is able to pass on to his or her children has already been taxed! It does not belong to the government. There should be no corporate income tax. In order to grow and hire more people, companies have to bring in more money than they pay out. That's called profit. Profit is like having a heartbeat and lungs that breathe. It's not a bad thing. Profit provides what everyone needs to live and enjoy life. When the government confiscates a company's profits, it causes that company to have to increase the cost of its goods and services in order to survive or expand, so corporate taxes are really just hidden additional taxes on individual consumers. When the government takes too much of a company's profits, it causes the company to stop growing or shut down just like a deadly parasite kills its host. A company can't keep raising its prices to offset increases in corporate taxes because eventually it will price itself out of the market. Corporate taxes also cause companies to move to another part of the world where they're allowed to keep and re-invest their profits, so corporate taxes create unemployment in America. Let a company keep its profits so it can grow and hire more people who will pay more income taxes to the government. Liberal Democrats are completely wrong. Lowering income taxes and eliminating other taxes is like sunshine, rain and fertilizer to a garden. It causes everything to grow, including tax revenue.