

FairTax: Real Help for the Poor

For decades, politicians have waxed eloquent about helping the poor, usually by creating another massive, expensive spending program that ends up doing more harm than good.

But poverty, except for those few who can't, or won't, work, is simple to fix.

Create jobs that pay good wages, and don't tax the money they earn. Once those at the economic bottom can earn, and keep, their money, they can begin to climb out of poverty and into the middle class.

But our current system of business and income taxes doesn't do that. Instead, it works to keep the poor "in their place". It penalizes small businesses, reducing the number of good jobs. It forces manufacturing to move their facilities off-shore, further reducing the number of middle-class jobs. And it takes what few wages the poor do earn away through regressive income, payroll, and embedded taxes. In other words, under the current system, the poor stay poor, not because they want to, but because politicians and the tax system work to keep them there.

But the FairTax would change all that.

Under the FairTax, we will see an explosion of jobs. Small businesses, freed of business taxes, will race to expand and grow. Exports would thrive as US goods and services, freed of their punitive tax burden, would compete effectively in world markets on price and quality. And manufacturing jobs lost to overseas facilities would be returned to the US, and to the American workers from whom they were taken.

And, under the FairTax, the poor filling those jobs would get to keep their whole paycheck. They wouldn't lose as much as 30% of their checks to income and payroll taxes. The embedded taxes contained in goods and services purchased by the poor would be removed, and under the FairTax, everyone, rich or poor, gets approximately \$200 per month as their prebate to cover the retail sales taxes associated with the necessities of life.

Anyone who really cares about the poor, who wants to help them rise above poverty and realize the American dream, instead of living in hopeless desperation as helpless government dependents, will support the FairTax.