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ON FEDERAL TAX REFORM
21 February 2005

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Senator Connie Mack III
Shaw Pittman
2300 N St. NW
Washington, D C 20037

Dear Senator Mack :

Please accept my congratulations on your being nominated and accepting the challenge to head up the Presidential committee for tax reform. This is long overdue and desperately needed. Good luck and God speed in you efforts.

There has been much done in the past , recommendations submitted ; unfortunately no meaningful legislation has eventuated . Hopefully you efforts will be more successful.

Please consider the following comments from my own personal observations and 50+ years of submitting my own tax returns .

Form 1040 / Instructions . It has 76 pages + 50 more pages of appendices for starters . There are 20 worksheets in the booklet and a raft of separate Schedules (A to Z ?) . An example of one specific action - line 20a - has a full page worksheet referring to data from lines 21, 23-25 ,28-34a , and 35 ! - forward or backwards progress ? ? , too long and too complicated!

I suggest you consider the following major changes .

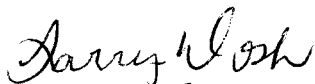
First , separate the individual income derived from working / savings [wages , salaries , interest , dividends (alimony)] and the like into one tax report submission . After determining a suitable \$ level for filing and and some limited standard deductions [NO Schedule A - including mortgage interest or charity] , a single tax rate would apply .

Second , all income from entrepreneurial activities/profit&loss (self employment , sole proprietorship , farming , capital gains and the like) should be reported on a separate tax return . Some provision for loss carryover would be needed. This would also carry a single tax rate .

Granted this would be a momentous change. A major advantage would be to achieve simplification in reporting and auditing . Some King Solomon like decisions would be required on deductions , entry tax levels , and many other matters . I strongly believe the outcome would yield an urgently needed achievement in tax reform .

I urge you and the other members of your committee to consider the above separation and give us tax payers the relief we sorely need .

Sincerely yours ,


Larry Dosh

Ps. Please e-mail me your new web site URL < zdosh@tampabay.rr.com > .