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PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM

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The President's Advisory Panel of Federal Tax Reform
1440 New York Avenue NW, Suite 2100
Washington, D.C.
20220

Dear Sir,

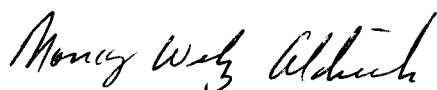
It should not be necessary to tell horror stories about the present tax system. It is obvious that it is too complicated and too convoluted, just by looking at the 60,000 pages. The present tax system punishes production! That, in itself, hurts our economy. It consumes billions of dollars in compliance - dollars that should be going into production and job creation.

We need a Fair Tax, as proposed in House Bill 25 and Senate Bill 25. A tax that would create transparency, would be border neutral, has manageable transitional costs, and is revenue neutral.

Only the "end consumer" pays our current taxes. All taxes are passed through the system to the end consumer. This puts an undue burden among the poorest among us, because the taxes are passed to them. They might pay no income tax, but they are paying 20 - 30% in hidden taxes. With the Fair Tax, those taxes would be visible. The Fair Tax proposal eases their tax burden with a monthly "pré-bate."

As Alan Greenspan said on March 3rd, when speaking to Congress, we must eliminate the IRS. It is unfair and is killing our economy. The only reasonable alternative is to go to a consumption tax, as described in the Fair Tax proposal that is currently in Congress.

Respectfully submitted,



Nancy Welz Aldrich