

March 14, 2005

Sen. John Breaux, Vice Chairman
The Presidents Advisory Panel on Federal Tax Reform

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM

Dear Sen. Breaux:

Your panel's efforts to reform our federal tax system is an admirable and very meaningful goal. I have some concerns about our tax system and thoughts on reform.

My ideas and concerns are based in part on an article on p-112 of the Jan/Feb 2004 issue of The Atlantic Monthly which states that the United States is about to experience economic upheaval on a scale unseen for generations as result of downward mobility in wealth of a very large portion of the U.S. labor force and an increase in the wealth of a few, with the possibility of a division in our nation in the future. Unfortunately, some proposed approaches I've seen for the future of our federal tax system could quickly enhance the movement of wealth to the few at the top and a rapidly diminishing of wages and benefits for the many.

A proposal I've seen to move the nation away from employer-provided corporate health care and retirement benefit plans to private accounts is a good idea only if there is a requirement by federal law for employers to pay funds into individual health care and retirement plans for employees.


Allowing corporations to continue to pay obscene salaries and benefits to its CEO and other top executives while cutting wages and benefits for the lower level employees is causing a shift of corporate revenues to a few to the detriment of the many employees (as well as to shareholders). Tax reform should address this detrimental shift of corporate revenues to the top executives.

We need new federal tax laws which provide sufficient enticements to corporations to slow the globalization-caused out-sourcing of jobs (particularly service jobs).

President Bush's proposed shifting of a portion of the Social Security (S.S.) system into private accounts is a good idea for moving toward a lofty "ownership society" goal only if we increase government revenues to pay for the change and also to pay for shoring up the overall S.S. system for future years. New federal tax laws which slightly increase the S.S. payroll tax, raise the cap on S.S. tax and raise the S.S. retirement age to 68 would solve the S.S. problem. There is also a need to lower the risk to those moving part of their S.S. benefits to private accounts by slowing the diminishing value of corporate equities and bonds due to the shifting of corporate revenues to the top executives.

A continuation of the surge in federal deficits is passing debt on to future generations, and should be stopped. An increase in federal income taxes for wealthier Americans and the formation of a national sales tax are two ways of stopping this.

I urge you to promote reform of our federal tax laws which would stop, or at least slow, the split of our nation into the rich few and poor many (as Latin America has experienced for centuries). I believe the above thoughts provide approaches for accomplishing this.

Sincerely,

Edward A. Cross
29627 Terra Vista
Fair Oaks Ranch, TX 78015

March 14, 2005

Sen. Connie Mack III, Chairman
The Presidents Advisory Panel on Federal Tax Reform

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM

Dear Sen. Mack:

Your panel's efforts to reform our federal tax system is an admirable and very meaningful goal. I have some concerns about our tax system and thoughts on reform.

My ideas and concerns are based in part on an article on p-112 of the Jan/Feb 2004 issue of The Atlantic Monthly which states that the United States is about to experience economic upheaval on a scale unseen for generations as result of downward mobility in wealth of a very large portion of the U.S. labor force and an increase in the wealth of a few, with the possibility of a division in our nation in the future. Unfortunately, some proposed approaches I've seen for the future of our federal tax system could quickly enhance the movement of wealth to the few at the top and a rapidly diminishing of wages and benefits for the many.

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March 14, 2005

The President's Advisory Panel on Federal Tax Reform
1440 New York Avenue NW Suite 2100
Washington, DC 20220

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My Partner and I of 20 years need your help getting the tax laws changed since we are treated unfairly tax wise. There are a lot of areas in the tax arena we are treated unfairly, but one that could impact us is the most is the inheritance tax. Since we are not married and not related, we would have to pay tax on half of the estate if one were to die. The house would be assessed at the current value and not what we purchased it at. So you could imagine what tax on a home at today's rate would be. My Partner also pays tax on my health insurance that he gets through his work unlike some one who is married. We are registered as Domestic Partners through the State of California, but are not allowed joint federal tax rights.

Thank you for your consideration,

Tom Hammond
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