

1040 TAXMAN TOM & SILVER DRAGON

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM



TOM HOUK & MAGGIE GREEN
2005 MAR 28 P 5:15

2939 N Madison PO Box 209 Loveland CO 80539-0209
970-461-1040 970-669-1980 877-669-1980 Toll Free
Fax 970-635-9181 Reno 775-424-3616 Fax 775-424-3617

March 9, 2005

PRESIDENT'S ADVISORY PANEL on FEDERAL TAX REFORM

SENATOR CONNIE MACK, Chairman FAX 202-626-3737 WK 202-737-0500

SENATOR JOHN BREAUX, Vice Chairman

Gentlemen:

We sincerely hope the Tampa meeting yesterday went as well as I would like to see and hear at the New Orleans meeting later this month. I would like to present my testimony directly.

This tax business started 13 years ago after I lost the lease on a little farm where I grew corn and traded livestock. Thank you for conducting these hearings. We must REFORM the Federal Tax System by the October 1, 2005 new Fiscal year. Allow me to HELP!! -- PLEASE

AMERICA'S GOAL through REFORM -- from this conservative Wyoming/Colorado cowboy perspective:

Enact a NATIONAL SALES TAX *and* ABOLISH the debilitating current 1040 system

- 1] 3% on EVERY dollar that changes hands
 - a] 12 million people currently do not file a 1040 [according to a tax lawyer in Ohio]
 - b] the \$300 billion underground economy is NEVER included in income tax
 - c] consumer groups ballyhoo long about how income tax refunds spur the economy
- 2] give Americans a chance to take home the WHOLE paycheck
- A] SAVE SOCIAL SECURITY -- keep and guarantee the current pay out to every American forever
- B] FAIRNESS FOR EVERYONE -- class envy is destroying America
 - 1] America pushes secondary education through loans and grants and then denies the Student Loan Interest Adjustment if the taxpayer makes too much money!!!!
 - 2] The Child Care Credit REDUCES as the income grows!!! Returns in this office show:
 - a] a single mom paid \$9,000.00 in day care and got a \$960.00 tax credit
 - b] a married couple paid \$16,000.00 in day care and got a \$1,200.00 tax credit
 - 3] Allow a NATIONAL SALES TAX refund for all Americans under \$33,000.00 income
 - a] all Americans are NOT created equal
- C] Americans are co-habiting to beat the current 1040 system
 - a] Married Filing Joint is STILL quite punitive for a two income household
 - b] one couple DIVORCED in December for their 1040 filing in this office
 - c] two couples last week saw the monetary value of filing two 1040 tax returns
 - d] for 5 years I have told clients "don't get married 'til you talk to me"



CLICK. ZIP. FAST ROUND TRIP.

**SENATOR CONNIE MACK
SENATOR JOHN BREAUX
March 9, 2005
Page 2**

D] SAVE IRS from itself

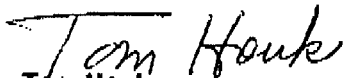
- a] a recent survey shows IRS gives wrong answers 43% of the time
- b] IRS jokes "that means we give correct answers 57% of the time"
- c] we need IRS to collect the National Sales Tax 100% of the time

NOTE: 85% of the National Sales Tax gathering system is already in place through State Sales Tax licensed businesses.

There are hundreds of personal stories from inside this little tax preparation office in Colorado that substantiate this outline that I could share without violating file confidentiality.

**We have to REFORM the Federal Tax for our kids and grandkids.
We have to REFORM the Federal Tax to save all AMERICANS!!!**

Respectfully,


Tom Houk