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ON FEDERAL TAX REFORM

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To: Members of the Tax Reform Panel

I am an attorney and CPA and prepare individual income tax returns, corporate income tax returns, partnership returns, federal estate tax returns and federal gift tax returns - and have done so for the last thirty-two years. The two points that I would raise are that the overall income tax system is complicated beyond reason and that individuals should not be made to be the tax assessor collector for the federal government.

With respect to the first point, I find it hard to reconcile in my mind the position of the President and Congress as to their voicing a strong belief in simplicity while continuing to pass and adopt tax laws that are anything but simple. The two tax bills passed last year have any number of special interest provisions that add significantly to the complexity of the overall tax system - why do we have to have so many carve out provisions? It seems to me that somebody, either the President or members of Congress, need to say no to adopting all these provisions of the income tax law that have very narrow applications - its like these two participants are trying to provide all their political constituents with some kind of doggie bone. Get politics out of the income tax system - create a system that might not be totally fair to all to whom it applies, but is understandable by those to whom it does apply. Having a system that is both ultimately fair and one that is simple to understand and administer is a legislative impossibility - and I encourage you to focus on the latter. For example, remove from the tax system the body of law that relates to the alternative minimum tax and the body of law that relates to passive activity losses - and make up for the lost revenue by raising the tax rates on upper end taxpayers.

As to the second point I raised, I do not believe that individuals should be forced to expend all the effort and time necessary in assessing themselves and remitting the calculated amount to the Federal government. The system as it presently exists is extremely unfair, it creates disharmony, distrust, and animosity between citizens and the very government that serves them. Let all taxes be collected at the business level, by entities whose business accounting systems can more easily accommodate the collection of taxes to help fund the operations of the Federal government.

I appreciate your efforts as members of the Tax Reform Panel and your work on behalf of the citizens of our country. For whatever it is worth, I am neither a Democrat or Republican.

