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Dave McClure • Oct. 25, 2011

The news is once again filled with speculation about converting America's tax system to a form of flat tax. Whether it is Herman Cain's 9-9-9 proposal, Rick Perry's flatter tax, or Newt Gingrich's "optional" flat tax, it is a concept that captures the imagination and fuels the idea that we can have a better, simpler, more fair system of taxation than we have today.

But as much as I love the concept, I think we have to file it away with those other warm and fuzzy but ultimately unworkable ideas like world peace or men and women being able to share a bathroom.

The flat tax has four things working against it.

- 1) The Cynical View: In order to have a flat tax, Congress would have to vote to eliminate most or all of the deductions currently available. They would also have to vote to render themselves powerless. You see, what fills campaign coffers year after year are the promises made to campaign contributors to tweak the tax code in one way or another to benefit one constituent's need or another. Take that power away, and you take away their value to lobbyists. Not going to happen. Ever.
- 2) The Practical View: The problem with the current tax code is not, as most anyone will tell you, that we have too many brackets or that people can't figure out what their tax rate is. The real problem is in deciding which income is subject to taxation, and how best to minimize that figure through deductions. Or whose campaign to contribute to if you need to get more deductions.
- 3) The Fiscal View: What, are you nuts? You want to put all of the IRS, half of the accounting industry and half of the legal industry out of work to enact a tax scheme that will actually increase taxes for virtually all of the lower to middle class taxpayers? In an election year? Even if the economy were chugging along nicely, you

can't just scrap the entire system without plunging the government and most

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I don't have anything against the idea of a flat tax, any more than I have anything against world peace. But before we tear down the present system, we need to know a little more about how exactly it will work, and what we plan to do with those thrown out of work. And how the whole thing will somehow cost us less in taxes owed.

I'll try to keep an open mind and hope for the best. But I'm not betting the farm on it.

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