



- Is not just an idea
- It is an actual Bill—**HR25 & S296**
- Introduced by Georgia Rep. John Linder in 1999 and every new Congress since
- Has 55+ House co-sponsors in the 111th Congress
- Supported by millions of tax-paying grassroots citizens like us

It's Progressive—and It's Fair

- No exemptions for anyone
- Un-taxes everyone the same on basic necessities; those who spend more on luxuries pay more taxes
- Delivers massive benefits to seniors, low income wage earners, people on fixed incomes, and the poor
- **Permanently funds Social Security and Medicare** without payroll taxes
- Totally eliminates the current punitive tax code and the IRS, and provides for the repeal of the 16th Amendment to end income taxes forever
- Encourages savings and investment
- Does not impede, but rather aids, charitable giving
- Aids agriculture in the global market



Will—

- Stimulate the economy
- Transfer power from politicians (and lobbyists) to the people
- **Eliminate the IRS**
- Free us from record keeping, tax returns, and audits
- Bring off-shore \$\$\$ back home
- Bring jobs back to the U.S.
- Cause the underground economy to share in the tax burden
- Be Simple, Transparent, and **FAIR**

**Let's Make It Happen—
Here's How!**

Add your support to the growing numbers by—

- Signing up at: **www.FairTax.org** and **www.FairTaxNation.com**
- Joining an existing group, or

If you would like to find out more contact

Chuck Bailey, AL Dist 5 Director
irlaserman@sprynet.com
 256-776-5636, or 256-479-4308 cell

We will help you find a FairTax group in your area. If there isn't one, we would like to help you start one.

In Huntsville we meet at 7pm on the third Thursday of every month at

**E.S. Brooks School of Real Estate
 2312 S. Memorial Pkwy Suite J.**

Just south of Governors Dr. near "The Rock" Church and Office Depot next to Pearly Gates



Will end all earnings-based taxes—

- Personal Income Taxes
- Business Income Taxes
- Payroll Taxes
- Capital Gains Taxes
- Estate & Gift Taxes
- Alternative Minimum Tax

No more taxes on—

- Labor
- Hard work
- Productivity
- Achievement
- Success
- Savings and Investment

Instead—

- We'll pay a national sales tax when we buy **NEW** goods and services
- No tax on used products; and
- No tax on basic necessities

Here's How 

Every American citizen will receive a **monthly pre-bate check** to cover the federal sales tax on necessities such as food, clothing, and shelter.

The Current Tax System Compared to the FairTax

- Current system is too complex and costly. The 70,000 page tax code costs individuals, businesses, and non-profits 7.6 billion hours and \$300+ billion annually in efforts to comply. This amounts to a 22.2 cent tax surcharge for every tax \$ collected by the present system.
- **The FairTax reduces individuals' compliance costs to zero; and business costs to near nothing; they only have to keep track of their retail sales.**
- The income tax now ranges from 15 to 39.6% and payroll taxes (a flat rate) for workers and employers are another 15.3%. The combined tax rate range is 30.3 to 43.3% for all but the lowest-income Americans. High rates result from the exemptions, deductions, credits, and loopholes that narrow the tax base to benefit the special interest lobbies who finance the reelection of politicians (our Representatives and Senators).
- **The FairTax taxes goods and services only once and at one rate, no exceptions.** The FairTax marginal rate is a flat 23%, above the poverty level. A family of 4 can spend \$26,800 tax free; if they chose to **spend** twice that, then they pay an effective tax rate of only 11.5%, and so on.

The FairTax Encourages Savings and Investment and Raises Wages

- **Under the FairTax, savings and investments are not taxed at all.** And as Americans save more, coupled with the flood of capital now trapped offshore that will come home, the pool of funds available for lending will grow.
- Investment levels impact all wage earners due to the close tie between real wages and the level of capital investment per worker. For example, a worker or farmer is more productive if he has more and better machinery and equipment to work with; and higher productivity leads to higher real wages.
- Under the FairTax, foreign capital investment will also positively impact domestic wage rates,

as the **repeal of the income tax will make the U.S. the most attractive place on earth to invest.** Capital drawn from around the world will finance new plants and create new jobs here in America.

- The FairTax causes the stock market to appreciate. The value of stocks and bonds is a function of (a) the expected future income from owning the asset and (b) the interest rate. The FairTax increases the expected future return on assets and causes interest rates to fall, since corporations face lower operating costs and individuals have more money to save and invest.

FairTax Boosts for Low and Fixed Income Citizens

- **The FairTax allows workers to take home their whole paycheck.** Social Security (FICA) and Medicare taxes, the most regressive tax of all, are no longer withheld from paychecks.
- **Under the FairTax, poor people pay no net tax at all, since their spending is basically confined to the poverty level.** Used products are not taxed, allowing these families to avoid taxes even on additional spending beyond the basic necessities.

The FairTax Delivers Massive Benefits to Seniors and Retirees

- Of prime importance, **the Social Security and Medicare programs will be permanently funded** by a fixed percentage of the consumption tax.
- No longer will more and more retirees be depending on the payroll tax from fewer and fewer workers to fund the Social Security program.
- **Taxation of Social Security income to seniors will be repealed,** as will federal taxes on all other forms of savings and retirement income.
- Seniors relying on Social Security to fund their daily living will pay no net taxes due to receiving the monthly pre-bate.
- **Used goods are not taxed,** giving seniors a choice of whether they pay taxes on purchases.

- **Federal taxes on all forms of savings and investments are repealed**—CDs, IRAs, 401k plans, pension income, capital gains on stock and bonds, dividends
- **No capital gains taxes when homes are sold,** regardless of how the proceeds are used or the length of time the home was owned or lived in.

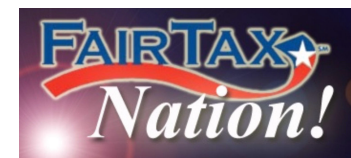
Charitable Giving Will Thrive under the FairTax

- Under the IRS tax system, most people who give get no charitable deductions. Only 1 out of 3 taxpayers itemize their tax returns.
- For all others, the cost of charitable giving actually goes down because they are able to give to churches and other causes with pre-tax dollars.
- Charitable giving is more a function of personal income growth than of the tax code. When people have more money (as with keeping their whole paycheck), they give more.
- **Religious speech will no longer be subject to IRS censorship** since churches will no longer need tax exempt status

How the FairTax Aids Agriculture

- No more self-employment or other federal taxes on farm and ranch income. **NO ESTATE TAX!**
- With business-to-business transactions not taxed, there'll be no taxes on , feed, fertilizer, and machinery, etc.
- Farmers and ranchers benefit from a more prosperous, growing economy.
- The FairTax makes American products more competitive in the global market.

Source:



Go to: www.FairTaxNation.com and join us