

The FairTax Plan includes a 'prebate': an advance refund of the FairTax on spending at the poverty level, paid to every registered citizen each month.

- ★ **Poor people** are effectively un-taxed, which is very **progressive** and therefore attractive to **Liberals**.
- ★ **Everyone** finds that the prebate is like getting a tax deduction for all the necessities of life.
- ★ **Everyone** gets to choose what is a “necessity” for them.

The FairTax Plan only taxes goods and services once: the first time they're sold.

- ★ **The repair industry** booms as consumers choose to fix broken items rather than throw them out.
- ★ **Flea Markets** flourish as consumers buy used goods to minimize taxes and sellers reclaim the value of their used goods.
- ★ **Greens** like the added incentive for people to reuse goods before throwing them out.

The FairTax Plan repeals the Capital Gains tax.

- ★ **Investors** keep all their profits, allowing reinvestment to grow their companies or start new ones.
- ★ **Everyone** keeps all the profits on their retirement and savings accounts, allowing them to compound their money tax-free and reach their goals more quickly (such as saving for a down payment on a house).

The FairTax Plan repeals the Estate Tax, a 'death tax' on inheritances.

- ★ **Families** know all their wealth will go to their heirs, not to the government.
- ★ **Families** save the money spent on avoiding estate taxes with complicated wills and trusts.
- ★ **Farmers and Small Business Owners** no longer fear that their heirs will have to sell the family farm just to pay estate taxes.

The FairTax Plan is very hard to evade.

- ★ **Law-Abiding Citizens** bear less of the tax burden because everyone is paying a fair share.
- ★ **The Government** takes in more of the revenue it is supposed to receive (The IRS admits that 29% of 2004 income taxes were not paid – not including all the taxes owed on illegal activity.).
- ★ **The Government** focuses auditing resources on fewer returns and more easily catches tax cheats because there are only 30,000 retailers versus the 160,000,000 current filers.
- ★ **The Government** sees fewer attempts to evade taxes because the largest retailers won't risk their reputations for a paltry amount that is actually paid by others (The top 3% of retailers sell 83% of the goods sold in the US.).
- ★ **Tax Payers** benefit from de-funding the IRS (\$6,000,000,000/yr. for only 71% collections).

Does The FairTax Plan really benefit everyone?

No, some people will suffer:

- ✗ **Criminals**, who don't pay taxes by earning their money on the black market: drug dealers, gun-runners, those in the sex trades, etc.
- ✗ **Tax cheats**, who avoid paying their fair share by using tax loopholes and off-shore accounts or simply refusing to file and pay their taxes.
- ✗ **Illegal aliens**, who work for wages 'off the books' but utilize taxpayer-funded services.
- ✗ **Employers of illegal aliens**, who avoid paying the employer matching FICA for these workers.
- ✗ **Special Interests**, seeking special tax laws in return for their political support and donations.
- ✗ **Crooked politicians**, who benefit from manipulating the tax code for Special Interests.
- ✗ **25,000 Tax Lobbyists**, who have advocated for the 17,000 amendments since the last major tax reform and simplification in 1986.

... but that seems fair to me.

Q: Who benefits from THE FAIRTAX?

A: THE FAIRTAX benefits:

Young & Old,
Rich & Poor,
Liberal & Conservative,
Employers & Workers,
Consumers & Retailers,
Individuals & Families,
... just about everyone!

Help make it a reality:

FairTax.org

*Look inside
to learn how
THE FAIRTAX
will benefit YOU ...*

What is the FairTax Plan? and Who should support it?

The FairTax Plan simplifies tax collection via a new national sales tax.

- ★ **Individuals** no longer have to spend time and money on record-keeping, searching for receipts, and filling out 1040 forms (or paying someone else to fill them out).
- ★ **Individuals** no longer dread April 15th as it becomes “just another spring day.”
- ★ **Individuals** no longer fear IRS audits and inadvertently becoming criminals by making mistakes on their tax returns.
- ★ **Individuals** control when they pay taxes and how much they pay by controlling their own spending.
- ★ **Tax Preparers** move to corporate accounting jobs, leveling their workload and income throughout the year.

The FairTax Plan repeals all Federal Personal Income Taxes and FICA Taxes (Social Security & Medicare Taxes).

- ★ **Workers** take home their whole paycheck and so have more money to spend and save.
- ★ **Seniors** feel secure, knowing that Social Security and Medicare are fully funded and are no longer in jeopardy of going bankrupt.
- ★ **Young people** feel secure, knowing that Social Security and Medicare will still be around when they need it.
- ★ **Poor people** no longer face the ‘work penalty,’ the 7.65% of their income taken out for FICA but not refunded on their income tax returns.
- ★ **Employers** no longer have to pay the 7.65% FICA matching tax, freeing up that money for additional wages for workers and more jobs.
- ★ The **Self-Employed** are freed from the punitive 15.3% FICA Self-Employment Tax.

The FairTax Plan gets the government out of our personal business.

- ★ **Libertarians** love that they are not required to submit information about themselves and their families unless they wish to receive the prebate.
- ★ **Religious groups** no longer have to censor their opinions to avoid losing their tax-exempt status.
- ★ **Charitable groups** receive more donations because donors have more money to donate.
- ★ **Everyone** gets to make tax-free donations (Currently, only 1/3 of eligible filers itemize deductions and get to benefit from tax deductible donations.).
- ★ **Everyone** gets to pay mortgage interest with pre-tax dollars (Again, only 1/3 of eligible filers itemize deductions and get to benefit from the mortgage interest tax deduction.).

The FairTax Plan repeals all Federal Corporate Income Taxes.

- ★ **Companies** keep all their profits to reinvest in more jobs, more equipment, and higher pay.
- ★ **Companies** no longer have to pay the compliance costs of filing taxes.

The FairTax Plan removes hidden taxes in US-made products.

- ★ **Consumers** see a reduction in the costs of goods due to hidden taxes (22% of what we pay is actually corporate taxes and compliance costs, passed along to the consumer.).
- ★ **American manufacturers** are better able to compete on the world market due to no tax burden.
- ★ **Worldwide manufacturers** want to build plants in the US, bringing lots of jobs here.
- ★ **Everyone** benefits from the booming economy.

The FairTax Plan makes the US the best place to manufacture goods.

- ★ **Workers** benefit from the influx of jobs in manufacturing and from economy expansion.
- ★ **Unions** benefit from lots of new workers.

The FairTax Plan is visible, printed on every receipt.

- ★ **Individuals** can easily monitor the FairTax rate, making it much harder for Congress to sneak in tax increases.
- ★ **Individuals** know exactly how much tax they pay to fund the government, possibly causing them to call for lower federal taxes / spending.

The FairTax is collected by retailers at the register and submitted monthly on a simple form.

- ★ **Retailers** in 45 states can easily add on the FairTax national sales tax because they already collect state sales tax.
- ★ **Retailers** only need to track their total retail sales to know how much FairTax to submit.
- ★ **Retailers** keep a portion (1/4%) of the FairTax they collect to compensate them for their collection and submission costs.

The FairTax is aggregated by the states.

- ★ **Most states** (45) can easily collect the FairTax because they already collect a state sales tax.
- ★ **States** keep a portion (1/4%) of the FairTax they collect in order to reimburse them for collection and submission costs (or they can allow another state to do the work and receive the reimbursement).

The FairTax helps cut down on the corruption in Washington, DC.

- ★ **Voters** find they have more power in DC because Special Interests can no longer lobby for special tax breaks from Congress (more than \$1,000,000,000 spent each year.).
- ★ **Americans** see many crooked politicians leave Washington since they can no longer profit from manipulating the tax code.
- ★ **Voters** find a better quality of candidates run for office because Washington is no longer such a cesspool of corruption.