

# We're Throwing Away Trillions When a Better Solution Exists

## The FairTax Can Save the US Economy

The income tax system makes politicians powerful and lobbyists rich but undermines the very things that make our economy strong. We're hobbling the American economic strengths that can solve this crisis without destructive borrowing and spending.

Our American genius for commerce, invention, productivity and growth is unleashed when we tax what comes *out* of our economy—consumption—instead of what goes *into* our economy—work, savings and investment. FairTax stimulus effects are based on trillions in assets, not trillions of dollars of loans.

The FairTax is a national retail sales tax that stops the damage; jump-starts our recovery and begins a new period of American growth. It replaces every penny now raised, broadens the tax base and is simple, fair and transparent. Federal taxes are paid at the cash register only at the point of final retail sale.

## Immediate Repair of the Economy

***Every worker takes home their whole paycheck***, without federal withholding or payroll taxes deducted. Bigger paychecks permanently stimulate consumer spending, and struggling homeowners can pay mortgage obligations—without massive taxpayer bailouts.

***The FairTax ends corporate and capital gains taxes***. Such costs both retard growth and investment and are passed along to consumers in higher prices. Experts predict trillions of dollars of *private* investment rushing into our economy when the FairTax ends US corporate and capital gains taxes. The positive effect on job growth, capital formation, stocks, savings and the overall economy is almost immediate.

***Low-income and middle class Americans get permanent relief***. The FairTax “prebate” eliminates all federal taxes on the poor and provides significant tax reductions to the middle class. Jobs are created when hidden income and payroll tax costs are eliminated from hiring decisions. The “Made in America” label roars back when foreign producers selling goods and services in our markets no longer compete against American companies saddled with these costs.

***Consumers become “stakeholders”*** when taxes are visible and no longer hidden from wage earners. This means real consumer pressure on politicians to reduce spending. The FairTax ends seeing as “free money” that which is borrowed against our earnings and the future earnings of our children and grandchildren.

## It Can Happen If We Make our Democracy Work

The political challenges of enactment are daunting. Congress and most of the uniquely Washington industry that has grown up around Congressional tax-writing committees hate the FairTax. There are no tax gimmicks to sell off, taxes become visible and tax lobbyists must find other work.

The American people will have to force this better solution on elected officials to save our economy. Legislation is now pending in Congress with 47 co-sponsors. A non-partisan bill, the FairTax was developed with \$22 million of peer-reviewed research by respected economists. Can America trump the self-interests of Washington? Help us build the overwhelming citizen voice needed for positive change and the answer is “yes”.

**The FairTax requires “advanced citizenship” and it’s needed right now. It’s time we take politics out of the tax code and the tax code out of every business decision.**

## We’re recruiting.

### Come to FairTax.org

**Learn it, join us and fight to make it come true.**

