

Dr. Burgess Weekly Video Address December 7, 2012

“The Freedom of Having a Flat Tax”

Hello this is your Congressman Michael Burgess. During the ongoing discussions regarding the fiscal cliff, both Republicans and Democrats in Congress have raised the need for reforming our broken tax system. I too wish for fundamental tax reform that makes filing easier for America’s taxpayers, and also lowers individual tax rates.

Since coming to Congress I have introduced the Freedom Flat Tax Act each session. A flat tax would provide taxpayers the option of having a flat rate of tax applied to their income. We simplify the Code and make it easier for individuals and businesses to file.

Another benefit of the Flat Tax is that it incorporates the all-American principle of freedom. If you like the current system under the tax code, then you certainly can keep it. The decision to move to a single rate system would be entirely up to the individual or business, and not the government. This would be an optional program. Once electing into the Flat Tax of course you would of course stay; you can’t move back and forth between the two systems.

The benefit of the Freedom Flat Tax is it drives economic growth. This comes through eliminating the current tax code’s bias against savings and investment. Because the flat tax treats all economic activity equally, it will promote greater economic efficiency and increased prosperity. And because inclusion into the flat tax is optional, taxpayers will feel more comfortable about being in a system that they have actually chosen and have an actual understanding of how it will affect them and their family’s finances.

We know what works when it comes to changing the code because we caught a glimpse of it when Ronald Reagan cut the tax code in half in 1986. As a result of that reform, the economy grew, revenues increased, and jobs were created. I can’t think of a better prescription for our economy now than replicating this reform of the Tax Code on an even greater scale.

Earlier this week I sent President Obama a letter to let him know that I’m happy to work with him on this important issue, and I included a copy of the flat tax legislation. HR 1040 as introduced this Congress is not available to the president for his review, and I would be happy to work with him to incorporate parts of it into his plan.

Thank you for taking the time to listen. For more information on the flat tax and legislative issues before the United States Congress, please visit my website, burgess.house.gov. May God bless you and your family - and as always, may God bless Texas.