

# Taxation With Representation

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"It's your money."

--President George W. Bush

"Some say that men cannot be trusted to govern themselves, then can they be trusted to govern others?"

--Thomas Jefferson

Taxes are indeed our money, and therefore we should be allowed to spend them as we see fit. Taxes, if paid by the people, should be directly allocated by the people. Bush appeals to the selfish position of those who do not wish to pay taxes for social services or welfare, but are fine with paying for the military and CIA that protect their wealth, privilege and investments here and abroad. He hands us back a rebate which is little more than chump change after he has taken out the massive (\$238 billion) Pentagon budget, the increased CIA budget, and cut the social services once more. What is the average citizen to do with \$300? Will it educate the children? Will it pay for health care? Or is it just meant to take the edge off the gouging profits of the rate hike at our gas pumps this year?

First, let's be real about why our income taxes are so high. Poor and working people pay the bulk of the taxes. The rich and corporations do not. In fact, most large corporations only pay a small percentage of what they really owe due to tax breaks. In fact, a 1-2% flat tax on corporate gross income would yield more money than current income taxes of their workers do. While the rich pay a larger amount of money, they do not pay a larger percentage of their income after tax loopholes are used. The tax laws favor large accumulations of wealth, and now they also protect the transfer of that wealth by inheritance without taxation. Currently less than 2% control more than 80% of the wealth and produced income. They pay nowhere near 80% of the taxes. Another 18% command about 5% of the wealth. The rest of us live on the remaining 15% and pay almost 20% of that to taxes on our meagre incomes.

Following World War II, the country entered a permanent war economy, gutting the industrial base and social development to feed the growing military industrial complex that carried out both the Cold War with the Soviet Union and many hot wars abroad. The increasing military budget necessary for this swelled under President Nixon to a level of spending that exceeded the total of all previous administrations in US history combined. Reagan began another massive buildup which continued through presidents Bush and Clinton. Despite some reduction in increased spending, the current percentage of

discretionary tax dollars (non-Social Security) allocated to past, present and future wars is 65%. And on top of that a full 80% of the deficit is due to military expenditures here and abroad. And the current Pentagon has now announced it needs an \$18 billion dollar increase this year, on the heels of a tax cut and rebate.

This is where our taxes go and why they are so high for most of us. We pay the taxes, not the corporations who employ our taxes to fund a huge global military force to protect their investments and thefts abroad. When such wars arise, these same corporations make additional massive profits selling more arms to the Pentagon, and then expect the poor to fight those wars against poor people of color abroad.

To be fair, the corporations should pay these war taxes, but that would not solve the problem of who is dying for their profits. Therefore, I propose that if we are to pay any tax on income exchanged for labor, it should be directly allocated by each taxpayer to whatever programs they feel are a priority. The net effect of a tax cut and a Pentagon increase has to mean a social services cut in education, health, infrastructure, or assistance. I would propose that the corporations pay a fair share but have no power in its allocation. Once the collective will was clearly expressed by compiling a taxpayers allocation pie, the corporate funds would be allocated proportionately as well, or used to create an emergency backup fund for direct allocation when conditions arose or funds allocated were insufficient to public needs and desires.

My first approach would be to plant the seed of this idea, for which I have found almost universal acceptance among diverse groups of people: implement it without binding the government at first. A simple three-layer carbon form could be mailed to all taxpayers in a given area, along with printed pie charts showing how current taxes are being spent at local, state and national levels. Taxpayers would be invited to fill out their own charts, showing their priorities on the form. One copy would be added to their payments of local, state and federal taxes, enclosed with the tax return. This would indicate their intent and educate them about whose money it is. The second copy would be returned to the public interest group doing the mailings, and they would be compiled into several "People's tax pies" for each municipality, county and state. At a public meeting and press conference, these pies could be compared to the current spending pies based on the allocation voting records of their elected "representatives". I can guarantee you they would not be the same pies. The elected representatives could be invited to attend and explain who they really represent, or why they feel better qualified to spend the people's money than the people themselves.

Once the principle was established it would be easy enough to make the last page of any tax form an allocation chart and let the taxpayers allocate the funds. A one-year lag time could be established, to give time for corrections by way of referendum or reallocation of the corporate based emergency funds if needed. This then would truly represent taxation with representation, and our money would be allocated democratically and directly by the people. The current unrepresentative allocation that bloats the coffers of the military-industrial complex and guts the social benefits of this productive economy could be put to use to end poverty, homelessness, miseducation, and many other social ills, as the people might so direct.

I came upon this idea during my college years, when I was forced to pay a \$50 "matriculation fee" each trimester, and looked into where it was being spent. A full \$28 went for sports and sporting events, which I had no interest in. A meagre \$2 went for student government, another \$2 for the student newspaper, and a similar amount for cheerleaders at sport events, an ROTC rifle spinning outfit, and a sorority that existed solely to serve the needs of ROTC cadets. My goal was to regain student control over the allocation of these funds, but I started small. I proposed that the \$2 student government fee be reduced by the actual costs of the administrative functions, ombudsman and student lawyer, and that the rest be directly allocated by students who would assign 25 cents to each signature on public, numbered petitions for any proposed function or activity. At this point the student congress, which had been in charge of allocating the funds, set up a howl. "Students don't know how to spend their own money!" they informed us. I then asked exactly who they represented. I am sure that the Congressional and local elected officials would put up a similar hue and cry, and thereby expose their elitist and neo-colonial attitudes towards their constituencies, who they never even consult in making tax allocation decisions.

It is time we represent ourselves, and decide how to spend "our money". Direct allocation of taxes will be a major first step in creating a real democracy here, because one function will be to fund the other necessary aspects of returning the making and breaking of laws to the people as well. Political parties will no doubt propose that all their members allocate the funds according to their ideas. I hope the people will ignore them. In his farewell address, George Washington warned against the formation of political parties in this democracy. Issues, he said, should be decided by "the people as a whole". Political parties, he knew, put these decisions into the hands of an elite instead, the leaders and representatives of the party apparatus, where it does not belong.

It's your money,  
it's your government,  
it's your democracy,  
it's your life.

Take it back!

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Date: Mon Jul 2 14:36:21 2001  
Subject: ALLOCATE THE REBATE

Friends,

In keeping with my theme of taxation with representation I have a suggestion for your upcoming tax rebate check. Since we know that the combination of tax cuts and Pentagon increases will inevitably lead to cuts in social services, why not allocate the taxes we can control directly to those we support? All government agencies are non-profit entities. Pick a government function you don't want to see cut and donate the rebate check to that agency, and ask for a receipt.

Alternately, if no agency currently does what you feel are the most needed functions, or you would rather work to reform and change the system, pick a progressive non-profit non-governmental agency that does and do the same. Enclose these receipts with your next federal tax return and subtract the amount as paid tax from the total due. If they bother you about it, tell them Bush said it was your money, so you spent it. Even if they don't accept the donation, it could lead to many interesting discussions about taxation with representation, misallocation of resources, the need for actual government benefits not small rebates, and maybe even a lawsuit or two to determine why direct allocation is not the same as paying taxes.

Let your friends and neighbors know what you plan to do and try to spread the idea as far as you can. I know someone who pays his entire tax due this way every year, by donating to his favorite government program, and is apparently credited for it by the IRS. After all, it is only "your money" because they decided to gut social service functions and give it back, so why not really make it your money and show them how taxation should work? Let me know the results if you do.

For real democracy,  
John Judge

P.S. I have recently heard that the IRS can confiscate what they consider to be owed tax funds from any other federal agency. If so, they might try to track and foil these direct allocation efforts, but if they do it would make good press I think. The Pentagon sics its little IRS pit bull on the good samaritan trying to help the poor because someone has just put a coin in their bucket.