

Your Name Here
Your Address Here
Your City, State and Zip Here
Your Phone Number Here

Enter Date Here

The Honorable (enter Senator or Representative's full name here)
United States Senate OR United States House of Representatives
Enter Address Here
District of Columbia (Enter Zip Code Here)

RE: Opposed to The Fair Tax Act - S. 13/H.R. 25

Dear Senator OR Dear Representative (enter last name here)

As the nation struggles with ways to make the tax code fairer, the Fair Tax Act is once again being presented as a solution. But I believe it's the wrong solution and urge you to oppose any attempts to enact this plan. This bill is decidedly Unfair because:

(TIP: DON'T USE ALL THE BULLETS – PICK YOUR TOP 2 OR 3)

- **The lowest earners pay the highest rates.** Since the first income tax was levied in the U.S., the tax structure has been progressive. The more income you make, the greater your share of responsibility. But this proposal reverses that thinking and the highest tax rates would fall on those who earn the lower levels of income. That's the opposite of fair.
- **Consumer prices won't decline as promised.** We can't trust companies to suddenly slash prices just because their taxes are gone. They're going to find other reasons to maintain higher prices and higher profits. In the end, we'll have inflation along with 30% taxes and lay an even greater burden on taxpayers.
- **It adds a whole new layer of taxable services.** All the services we use in our daily lives will now be taxed. Get a haircut, pay tax. Consult an accountant or a lawyer, pay a tax. Even health care services are taxed. Who's going to pay the \$15,000 tax on a \$50,000 surgery? And how much will it cost service businesses to add tax collection to their core competencies?
- **The tax rate proposed is unrealistic.** There's no way Congress will pass legislation that taxes food or healthcare or housing. Therefore, we will have to have a higher tax rate on everything else. Some have said as high as 60%. However, the bill caps the General Revenue rate at 14.91%. So either we have to add other means of raising more taxes or we'll fall far short of the money needed to keep government in business.
- **It will make government more expensive.** The current exemptions that allow governments to purchase items tax free is gone. Not only will States have the added responsibility of collecting federal taxes, they - along with their local counterparts - will now pay tax on everything from fire

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trucks to cleaning crews, effectively raising the cost of all government services.

- **It will hurt charities.** Although no one will have to pay taxes on donations to not-for-profit organizations, there will be no incentive for people TO give. That will likely lead to a drop in contributions.
- **It takes away key incentives.** Today's tax deductions let us encourage behavior that's important to our society. With credits for children, home ownership, and emergency conservation gone, we've lost our ability to reward wise choices. The only incentive in this plan is savings and investment. Not all of us have that luxury.
- **It gives corporations a free ride.** Companies no longer have to pay any tax. By taking business out of the mix, we place the entire burden on consumers. What's fair about that? Without shared responsibility between consumers and corporations, the middle class will continue to be squeezed until it shrinks out of existence - all while top management grows even richer.
- **The business credit program is complicated.** It's up to companies to determine what purchases are untaxed investments or components versus those that are consumed and therefore taxed. That makes the temptation to cheat significant. And since monthly business credits are different for every company, the logistics of managing and overseeing the required rebates could be enormous. It's an excessively difficult and expensive management task for businesses as well as government.
- **The Family Allowance is ridiculous.** Every legal resident will be on the government dole waiting for the monthly check. Worse, we'll create an expectation that government should pay its citizens. And of course, we'll need a whole new government bureaucracy to manage it. So we simply trade the I.R.S. for the Sales Tax Bureau. How is that helpful?

(TIP: INSERT A SHORT PARAGRAPH ABOUT HOW THIS AFFECTS YOU AND/OR YOUR COMMUNITY.)

In short, The Fair Tax Act will not solve our tax problem; it will simply make it worse. It will shift more of the burden to those who can least afford it, institute yet another unfair bureaucracy and likely increase the costs of goods and services. Your efforts to stop this legislation will be both noticed and appreciated.

Sincerely,

Your Name Here