

Submission for Consideration
U.S. House of Representatives
Committee on Ways and Means
Chairman Dave Camp

Honorable Mister Camp,

I would like to provide my input to the Committee record on the Hearing on Tax Reform and Consumption-Based Tax Systems (specifically the referred to Fair Tax).

I, and many of the people I have talked to, do not agree this is a fair tax. A tax on consumption only applies to purchases by the low and middle income buyers. High income persons that purchase a yacht will buy it outside the U.S. and dock it outside also until a specific time allows them to bring it home without tax. Consider the action of Senator John Kerry last year to avoid sales tax in Massachusetts.

As owner of several businesses in the past, I have seen this type of action several times applied to different items and situations. Also as an Air Traffic Controller and Airports Manager for 25 years I have seen it numerous times with aviation. It is also the reason most of the heavy equipment is displayed and sold along 1 major street in Portland Oregon. This approach of final assembly and sales in Oregon avoids the tax in most of the states of manufacture.

A family of low or modest income will pay the tax on furniture for the family while most of the rich will purchase the furniture manufactured in Mexico, Canada or Europe where the tax is not paid on furniture valued at 10 to 100 times the value of that purchased by the local Service Station attendant.

If the goal is a FAIR TAX, institute a flat rate tax of 17% on all income over \$50,000 and 10% on all income below that level. Do away with the IRS and provide penalties with teeth for avoidance of that Tax.

Make our Country Fair. Provide a Fair tax that General Electric has the same vested interest as our local business owners.

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Hearing on Tax Reform and Consumption-Based Tax Systems