

In my opinion there are a few easy to enact changes that would help balance the budget and make the tax system more equitable.

1. Only allow mortgage interest deduction on one home. Right now you may get this deduction on two homes, but that only encourages rental properties. I do believe that many Americans use this deduction and it is a great benefit to making home ownership (versus renting) more desirable. There are also many studies to support the fact that home owners improve a community more than renters. But allowing this deduction for two homes does not promote home ownership and if you can afford two homes you are not being swayed into buying versus renting by your tax savings. This change will allow the majority of citizens to continue to utilize this deduction while allowing the Federal Government to keep added revenue.
2. Adjust all credits that are a net gain for citizens. It does not make sense that an American citizen can \$100 in Federal taxes but then receive a \$1,000 check because of the Child Tax Credit. I truly believe that these credits are a good idea, but I do not believe that any citizen should receive more dollars than he/she paid to the Federal Government. In the situation above I can understand the need to pay the citizen the entire \$100 back, but that is it. The Federal Government is neither a lottery nor an investment.
3. Under no circumstance should any American be given a choice to have \$0 withheld from their paycheck. At least 1% of all pay should be sent to the Federal Government. If a citizen makes so little money that they should have paid \$0, then they should fill out a tax return and request a refund. This will do two things. The first is that the Federal Government will receive taxes from all workers (legal and illegal). Since illegal employees will not likely file a tax refund request, the Federal Government will have received income tax that was being illegally withheld. Second, the Federal Government will at least have benefitted from a tax free loan and have a better picture of the economy, as the net receipts will definitely increase during the year.

I understand that these may be suggestions that will die in one committee or another, but on the surface they all seem fairly reasonable and easy to implement.

Thank you for your time.