

Dear Committee Members,

America is a wonderful country that provides citizens with ways to better their own communities and the world through Charitable Giving. Charities and educational institutions deserve the support of the people, but the current tax structure is in no way beneficial to middle income earners.

As a middle income earner myself, I am limited by the "Standard Deduction" and my own income, to not be able to give more than I currently do, and not receive even the slightest incentive for what I do give, because according to the IRS, it isn't enough. I'm not rich enough to benefit from Charitable Contributions write-offs.

This is not how it should be.

Americans should feel free to give without any tax burden or repercussion. To do this, the Tax Code of the United States needs an overall. The FairTax is the solution to our current convoluted and biased system.

Under the FairTax, wage earners take home their entire paycheck. For a family of modest means, whose charitable giving is often a high percentage of their income, the FairTax represents a substantial increase in available funds. Additionally, ALL charitable contributions are made with **pre-tax dollars**. Under the current system, the charitable deduction only offsets a portion of the taxpayers tax liability. For less affluent taxpayers, who do not itemize (like myself), the price of charitable giving decreases under the FairTax because they are **able to give** to their church, educational institution, or other charitable organization **from pre-tax dollars**.

Under the FairTax, the two out of three taxpayers who currently do not itemize deductions are not taxed on charitable contributions, **and for the first time since 1986, the vast majority are actually encouraged to make charitable contributions**. It should be noted that even if a taxpayer itemizes, percentage ceilings limit individual contributions to <50% of adjusted gross income, and 10% for corporations. These ceilings disappear under the FairTax!

In conclusion, the most effective way to promote charitable giving is to take the strings off of it - the FairTax pays every American in pre-tax dollars, allowing them to decide their tax burden, and increase the ease and frequency of charitable giving.

Sincerely, a Citizen,

Matthew W Hessler