

April 18, 2012

To: Congressman Dave Camp, Chairman of the Committee on Ways and Means

Re: Hearing on Tax Reform and Tax-Favored Retirement Accounts, April 17, 2012

Congressman Camp,

I listened, intently, to your discussion regarding how you, the government, would handle We The People's retirement savings. 1st of all, Congress cannot manage it's own money; I do not think you are qualified to dictate how much and through whom I must automatically contribute my retirement savings. If I choose to save through my employer (an employer contribution is a benefit), another venue or put my money in a quart jar, this should be *my* decision. All people are not the same. We have different goals, needs and dreams for retirement, therefore, each individual will save differently. The more levels, rules and savings plans you make, the more complex you make it to understand. We The People see this as more government interference in our lives.

I lost my full time job at the beginning of the recession in 2007. I rolled my retirement into a savings venue in my bank. Since I am over 55 and have been out of work for 5 years, I am deemed "unemployable". My Vietnam Veteran husband has nearly 20 years in at his employer, but the pay is so low, we have a hard time making ends meet. (2011 gross was \$33,739, but after taxes we had \$28,604 to survive on). We do not try to live a life of luxury. We were forced to retrieve my entire retirement savings to keep our home. I paid taxes on that income when I earned it. When I took the money out, I paid taxes on it again plus I paid the government a penalty to take it out early. The government also dictated what I could take it out for. This is where the problem lies. Your policies are set up to give the government my retirement. It's not yours, it's MINE! Now you want to make more policies to dictate the amount of money a person pays into a savings account, then make it automatic (I view this as mandatory) to make sure we have enough funds to supplement the Social Security taxes we have paid in order to live comfortably in retirement. Who are YOU to decide the level of my retirement existence?

Your opening statement says your three goals are simplification, efficiency, and increasing retirement and financial security for American families. Simplier would be to eliminate the titles 401(k), 403(b), 457(b), IRA, SIMPLE IRA and SEP IRA. Call it what it is, a Long-Term Savings Account. More than 5 years is long-term and less than 5 years is short-term. I would hope the tax brackets also get revamped so as not to penalize a person for making more money than his neighbor. The vast majority of U.S. Citizens have worked for their money. If they want to invest in the stock market, a CD or a local business, it should be up to the saver/investor. An efficient way for the government to tax the savings and encourage financial security in our later years would be to tax it at 50% of the federal, state and local rates, combined. If I paid a total combined tax of 10%, then tax my Long-Term Savings at 5%. But, don't tax it again when I take it out and don't fine me for taking it out when I need it. Tax it as a deduction on my yearly tax return. All of the above current savings plans force We The People to invest in the stock market. Evidence has shown there is corruption within the stock exchange, yet YOU the government want We The People to contribute our hard earned money to the hedge fund managers, speculators and other market crooks who are only out for their own financial gain...and at OUR expense! If a saver/investor chooses to invest in stocks, there are plenty of advisors in every town to whom we can turn for guidance. The last company I worked for provided such an advisor to explain options for saving. This is the right place to educate the population on savings venues. Not Ms. Miller's idea of another government entity deciding for the masses.

In closing, I encourage your committee to take this opportunity to reduce government waste. Reduce the paperwork, confusion and the creation of another government department that wreaks of interference in We The People's life after work.

Respectfully,
Susan Crase