

## **Statement of Donald Williamson, Americans For Fair Taxation, Conyers, Georgia**

While the stated purpose of this hearing sounds like a noble undertaking, it's reported outcome and subsequent actions do more harm to the very individuals and families they are trying to help. The Earned Income Credit is one of the abuses within the outdated Tax Code that removes any incentive for lower income citizens to better themselves by giving them someone else's hard-earned money. A truly valid point to be made may be how the Internal Revenue Service, public organizations and others are doing their part by elevating the standard of living for this group of citizens by raising their personal incentive and pride to make a living for themselves.

To persist in doling out dollars to people that haven't earned it in the first place is not a system of fairness nor is it truly beneficial to the esteem of those same low-income individuals. If many citizens do not take advantage of a handout that is available to them, perhaps it is because they are too proud to do so which emulates the American spirit that made this country as strong as it is. Handouts are in reality, a form of socialism by distributing wealth from those who have achieved to those who want a free ride. Moreover, to institute a full campaign by government institutions and others to perform a media blitz has all the connotations of personal and political favoritism from the masses. In other words: this would develop into nothing more than a vote-buying scheme.

Oversight should be just that: Keep watch on fraudulent and wasteful spending and weigh the alternatives of what is the most effective use of government programs, not do the opposite as this hearing's title suggests. What should really be done are hearings on the various tax reform plans and the Oversight subcommittee to use it's detective and investigative powers to validate data submitted to being factual and throwing out data that can not be proven except by theoretical conditions. The President's Tax Reform panel of 2005 would be an obvious target for such oversight since the panel discounted the simplest and fairest tax plans, H.R. 25, by disguising budgetary and appropriations needs to falsely cause the sales tax to rise above it's stated 23%. This type of hearing on the Fair Tax, The Flat Tax and other valid tax reform proposals should indeed fall under the powers of Oversight.

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