From: Philip Hoffman  
Sent: Monday, July 13, 2009 6:40 AM  
To: comment, cotce  
Subject: Flat tax vs. consumption tax

For some reason there are factions in this country that can't seem to get past the income tax. The consumption tax would tax all new goods and services once, at the point of final sale. With the income tax, by whatever name you choose to call it, you pay tax on tax on tax, from the start of the production process to the final purchase. As a result of this you are paying about 22% of the cost of everything you purchase as compliance cost resulting from the current income tax code. These costs would be eliminated through the rebate contained in HR25 / S296, TheFAIR TAX. It is also necessary to understand that corporations don't pay taxes, they merely collect them from you the consumer and pass them on to the government. As a result, throughout of this pass down process not only does the consumer get the honor of paying all the taxes levied throughout the production process, you also get to pay a tax on everything you earned. As a result is multi level taxation on all products and then loosing purchasing power through the income tax. Additionally, all underground income would be taxed at the full rate without rebate. This would include pimps, prostitutes, illegal entrants into the United States and tourists from other countries.