



A BETTER WAY

OUR VISION FOR A CONFIDENT AMERICA

A Better Way for Tax Reform

Our Principle

In a Confident America, the tax code and the IRS work for us, not against us.

Our Challenge

Our tax code is a mess, and that's putting it lightly. Multiple brackets. High rates. Special interest breaks everywhere. Rules and regulations that are too complicated to understand. It costs more and more each year just to do your taxes, let alone pay them. All of this drags people down and leaves businesses buried in paperwork and compliance problems. So instead of promoting growth, our tax code is pushing jobs overseas. And the agency charged with overseeing all of this—the IRS—has repeatedly violated the trust of the American taxpayer.

Our Vision

We need a new tax code. It needs to be fair and simple for everyone. It should be so simple that most Americans can do their taxes on a form as simple as a postcard. Our tax code should be built for growth. It should help make the United States the best place in the world to hire and invest. And if we're going to have a better tax code, we need a better IRS, one that puts the taxpayers first.

This blueprint offers a better way to dramatic reform—without increasing the deficit. It does so by promoting growth—of American jobs, wages, and ultimately the entire economy.

Our Ideas

- Simplicity and fairness. Our plan makes the tax code simpler, fairer, and flatter, so that it's not only easier to do your taxes, but it's also easier to have peace of mind at critical moments in life.
- Jobs and growth. Our plan makes it easier to create jobs, raise wages, and expand opportunity for all Americans.
- A service first IRS. Our plan matches a simpler, fairer tax code with a simpler, fairer IRS that puts taxpayers first.

SIMPLICITY AND FAIRNESS

Our plan makes the tax code simpler, fairer, and flatter, so that it's not only easier to do your taxes, but it's also easier to have peace of mind at critical moments, whether it's going to school, getting a job, raising a family, or planning for retirement.

- Save time and money by making it so that most Americans can do their taxes on a form as simple as a postcard.
- Consolidate the system down to three tax brackets, and lower the top individual income tax rate to 33 percent.
- Simplify tax filing for families by creating a larger standard deduction and a larger child and dependent tax credit.
- Make it easier to pay for college by streamlining the maze of education tax benefits.
- Eliminate the alternative minimum tax so you don't have to do your taxes twice a year.
- Reward work by improving the EITC.
- Encourage charitable giving by providing a real tax incentive.
- Help families plan for retirement by reforming savings provisions.
- Stop overtaxing "Made in America" products so that our manufacturers can compete.
- Repeal the death tax so that the loss of a family member will no longer be taxable.

JOBS AND GROWTH

Our plan will make it easier to create jobs, raise wages, and expand opportunity for all Americans.

- Cut taxes on small businesses by creating a separate, low tax rate of 25 percent for many on Main Street.
- Cut taxes on savings and investment by allowing families and individuals to deduct 50 percent of the dividends, capital gains, and interest received from stocks and mutual funds.
- Provide a tax-free return on new investment by allowing, for the first time ever, full and immediate write-offs.
- Restore American competitiveness by lowering our corporate tax rate from the highest in the industrialized world to 20 percent and shifting to a “territorial” system with more competitive rates.
- Create more certainty by eliminating the death tax, which can take up to 40 percent of a family business’s assets if the owner passes away.

A SERVICE FIRST IRS

A simpler, fairer tax code will require a simpler, fairer IRS with one mission: Put the taxpayers first.

- Restructure the IRS around three major units: one for individuals and families, one for businesses of all sizes, and one that provides an independent “small claims court” approach to resolving routine disputes quickly.
- Install a new commissioner, subject to term limits, who will be required to administer the new tax code with fairness and keep the politics out of the IRS.
- Cut down on IRS intimidation by creating an Office of Dispute Resolution to serve as an independent arbiter to protect your rights and resolve disputes in a timely manner.
- Clear out the bureaucracy by doing away with all the rules, regulations, forms, and instructions that won’t be needed with a simpler, fairer tax code.
- Modernize information systems so that taxpayers have access to the resources they need when they need them—all while protecting privacy.