

Opinion/Commentary/Letters

# Government, taxation policies Reform needed Limits needed

**By SHARON TAULMAN**  
Tax Reform: two words that arouse emotion in every taxpayer. And with good reason, no matter which side you're on.  
Today it is too difficult to get rich and too easy to stay rich. Recent studies have shown there has been no substantial change in the distribution of wealth in the United States since the Civil War. Many alternative plans have been offered for tax reform, but the expansion of the following tax policies seem the best method for relief to the low and middle income families.

*'Today it is too difficult to get rich and too easy to stay rich'*

The minimum tax has been in effect since 1969 and is designed to ensure that everyone pays some tax, even when income is from items like capital gains. (A capital gain is income that results from a sale of property that has been held for a sufficient length of time as defined in the tax code.) Only 8% of Americans can taxpayers classify their income as capital gain, placing that amount in a lower tax bracket.  
Although the minimum tax is essentially a tax on loopholes and is in addition to regular tax, some loopholes still allow tax avoidance. The requirements now in effect allow a large break, even before the individual pays his minimum tax.  
One solution is to close any loopholes allowing people to get around this law and to lower the requirements for minimum tax, so that people in upper income brackets must pay it.  
Another necessary reform is the negative income tax. Currently the closest thing to a negative tax is the earned income credit, which benefits low income families in the \$4000-\$8000 range. The maximum credit is \$400 and applies to families with a \$4000 income. The credit decreases steadily down to \$8000, at which point no refund is given. This credit is handled like any other overpayment; the taxpayer receives the refund if the credit exceeds total taxes.  
This earned income credit should be expanded to include more

families and the amount they are eligible to receive should be increased. This would allow more low income families to receive money.  
An important concept that will drastically affect income tax policy is the change from deductions to credits. A deduction reduces taxable income and only indirectly affects taxes, while a credit reduces taxes directly because it is subtracted from the computed tax. A deduction results in more tax saving for those in a higher income bracket.  
President Carter last week outlined his tax revision plan for next fall that would replace the current \$750 personal exemption and \$35 per person credit with a credit of about \$240 - \$250. This would result in higher taxes on people in the upper brackets and lower taxes on those in the lower or middle brackets. This is the first step towards replacement of deductions with credits.  
Besides these three main revisions, an end to the myriad of tax breaks (of use mainly to businesses and wealthy individuals) would increase tax revenue, while increasing the tax burden on the rich. Eliminating double taxation of corporate profits is another needed reform. Double taxation occurs when businesses pay tax on their earnings and stockholders pay taxes on dividends from the earnings. Its elimination would give a break to the thousands of citizens that must pay tax on dividends they receive.  
The rich do not pay their share and it is time to close the loopholes that allow them to evade taxes. 88.5 per cent of American families earn less than \$25,000 per year, yet these are the people who pay the most. It is time for all Americans to shoulder their share of taxes and relieve the pressure on the low and middle income families. The smallest tax brackets and the steepest increases occur at the bottom of the scale. In 1974, 622 Americans with incomes of at least \$100,000 paid no taxes.  
These inconsistencies can only be remedied through tax reform. Only then can we say America has a progressive tax system.

*'Government should not be permitted to do for us the things we can better do for ourselves...'*

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**By MARK ELAM**  
This past year marked the bicentennial anniversary of the American Revolution, a revolution in which concerned Americans dared resist the tyranny of an abusive government in order to secure their freedom.  
Our forefathers rebelled against the greatest power in the world largely as a result of high taxes, taxes which seem paltry in comparison to those we now pay. Our government took 44 per cent of the national income through taxation in 1976 and this trend is bound to continue unless halted by concerned Americans who openly strive to check this obseive growth.  
Consider the following facts: Between 1929 and 1976 federal spending increased by some 15,000 per cent while population increased by only 80 per cent. State and local revenues alone increased 2000 per cent in the last forty years. Government now costs each American an average \$2,300 a year, or \$9,200 for a family of four.  
As to what effect Jimmy Carter's proposed economic program has on our situation will depend largely on his hopeful realization that a tax cut is really no tax cut at all when accompanied by a substantially larger (\$15 billion) increase in deficit spending. The only way government can finance this deficit spend-

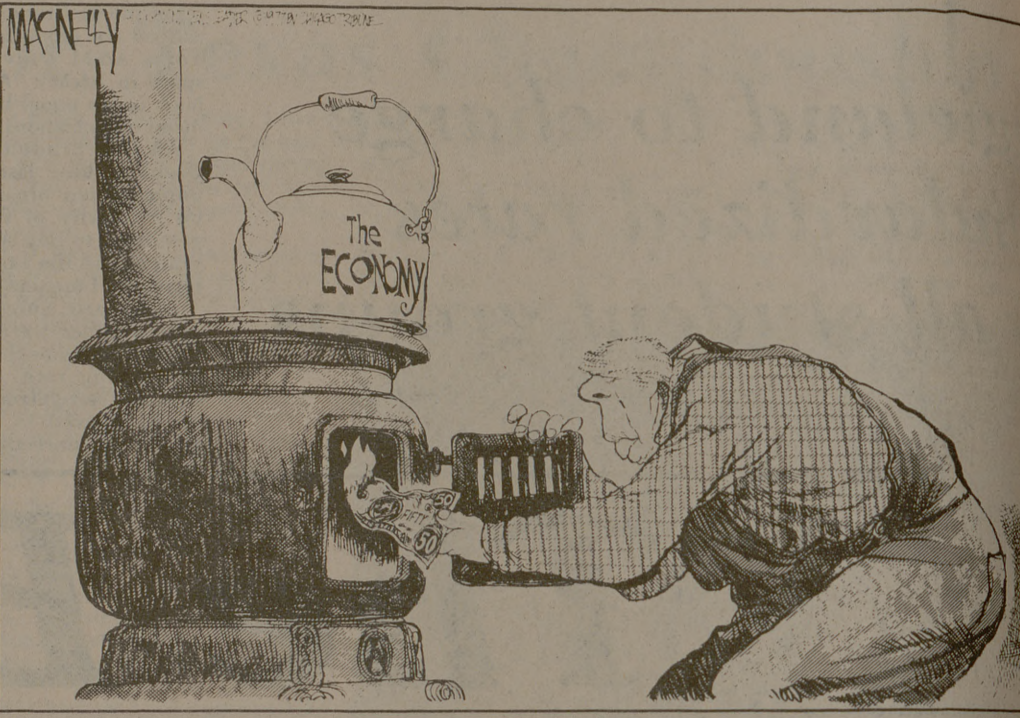
*'Government should not be permitted to do for us the things we can better do for ourselves...'*

ing is by borrowing or by printing and inserting worthless money into the economy which in turn causes inflation. And inflation not only steals from those people with steady incomes but it also hits even harder those who live on fixed incomes or who are unemployed.  
If trends continue unchecked our government will be taking 50 per cent of our entire income by 1984. Indeed it seems that all too many intelligent Americans are allowing these deplorable trends to continue because they have been led to believe that "Big Brother knows best." Government should not be permitted to do for us the things we can better do for ourselves, and we should not hesitate to remind government that it exists only to serve us, not for us to serve it.  
Do we choose to forget the warnings of men such as Samuel Adams? "It is an essential and unalterable right in nature... that what a man has honestly acquired is absolutely his own, which he may freely give, but which cannot be taken from him without his consent." Or do we accept the new logic such as that we hear from the ever flowing mouth of Senator Hubert Humphrey. "Less government is nothing more or less than a disguise for a new form of racism."

In such a statement exists the failure to realize that when government takes from one man to bestow on another, it diminishes the incentive of the first, the integrity of the second, and the moral autonomy of both.  
The failure of liberal social policies as epitomized in the economic mismanagement of New York City and the increasing failures and burdens of England's and other country's social programs, should all serve as warnings against increasing rates of taxation and inflation, yet the position of liberals still fails to show an understanding or concern for the problem.  
"Government resources and powers must be mobilized as never before in an active, deliberate way... It should harness all its array of authority — particularly its powers of taxation and regulation." The only reassuring thought about this statement by Senator John Tunney is that he is now former Senator John Tunney.

*'Government should not be permitted to do for us the things we can better do for ourselves...'*

An excellent example of the failures of liberal social programs is the Bureau of Indian Affairs. In 1974 there were 792,000 American Indians, 442,000 living on reservations and receiving BIA subsidies. If you divide the BIA budget by the number of Indians served, you get an income of \$5,280 for a family of four. Yet the estimate of actual family income at the time was \$1,500. Given such figures, one can easily believe the rumor that the typical Indian family consists of a father, mother, several children, a welfare worker, a sociologist, and an anthropology professor with two graduate assistants.  
Our country was founded upon the idea that liberty is indivisible, and common sense dictates that political freedom will not long exist without economic freedom. But it seems some people in this country would have us to believe the individual freedom and restricted government our forefathers fought to secure can no longer work in the modern era which we now live. In response to this belief I must reply, "Perhaps an invincible attachment to the dearest rights of man may, in these enlightened days, be deemed old fashioned; if so, I am contented to be so." — Patrick Henry  
Author's note: All factual evidence offered in the above or in prior or subsequent articles is presented not only as FACT but also as a CHALLENGE to the reader. "You have a great opportunity to advance the cause of truth. Don't believe everything you are told without checking to see if there is another side — and that goes for what I've just written. Check me out." R. Reagan  
Mark Elam is a sophomore political science major and is vice-president of Texas A&M Young Americans for Freedom.



## Return bell to its rightful place

**Editor:**  
A matter has recently come to the attention of the Liberal Arts Student Council of which we feel the student body should be made aware.  
During the Bicentennial, the Texas A&M Liberty Bell (which traditionally hung in the rotunda of the Academic Building) was donated by the University to hang in the State Capital in Austin. This apparently was done before the student body and faculty had a chance to say "no," however, most agreed that it was a worthy cause, and all rested assured that the bell would be returned to its proper place at the end of the year.  
Now surely the administration must realize that it is 1977. The Bicentennial Year ended six weeks ago, and where is our bell? In storage, of course. It's true, they are painting the Academic Building. But from what we hear, this is not the problem. When the new addition to the library is completed (which won't be any time soon) our bell will be placed — you guessed it — in the library.  
Is this another Aggie joke? The liberty bell does not belong in the library; it belongs in the Academic Building. There certainly must be some reason for this move; but in our opinion, this is one time tradition should stand. We encourage the administration to take another look and reconsider this decision.  
—The Liberal Arts Student Council

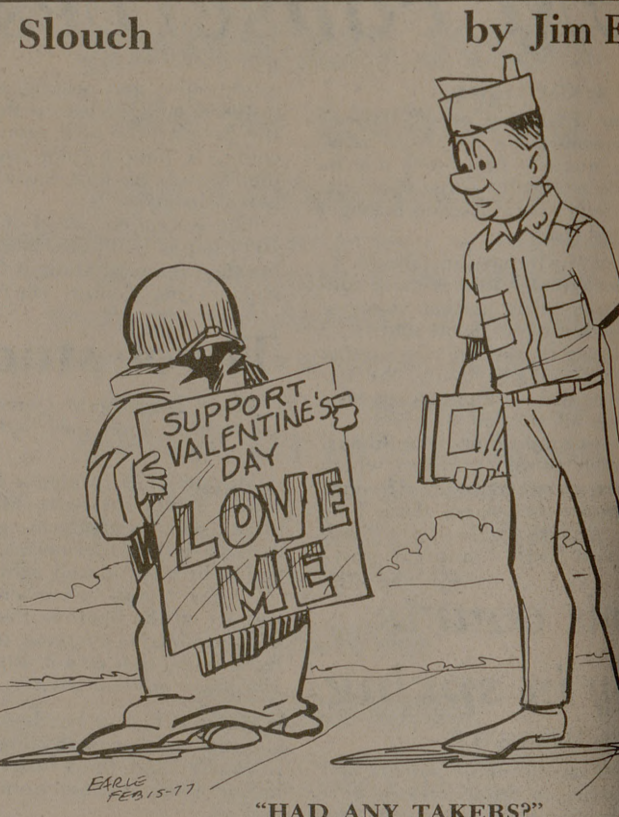
**Put office space elsewhere**  
**Editor:**  
I agree totally with Steve Mayer and Scott Gregson, who brought to light the fact that Leggett Hall might be turned into office or classroom space.  
I can understand the need for office space since Texas A&M is a growing system, and I can definitely see where they need more classroom space, but to take badly needed dorm space for this purpose is beyond my comprehension. Just looking over the campus, one can

see that there are places that the University could put offices or classrooms. It can't be that they don't have money for such building projects. What is the reason they want to transform good dorm space, into offices and classrooms?  
And while I'm talking about it, is that office space for A&M University use or A&M Conglomerate use? University use is o.k., but Conglomerate office space could go elsewhere. After all, the main purpose of this University, I believe, is education. Seems some people forget that.  
—Charlie Andrews, '80

**Smoker section needed in Sbsa**  
**Editor:**  
I am on the board plan in Sbsa and am concerned with the policy of allowing people to smoke after their meals in the cafeteria.  
Many people are allergic to cigarette smoke and become ill if they breathe too much of these fumes. I find it nauseating to inhale someone else's smoke as I bite into my food.  
I'm not asking that these smokers be deprived of their privilege, but rather that those who do prefer to smoke eat in a "smoker section." Airlines have utilized this method for the convenience of their passengers, and I have seen special places designated for smokers in other school cafeterias.  
This method of removing those people who are irritated by others' habits has proven effective and I be-

lieve that it would be effective on the A&M campus.  
—Mandy De...  
**'Counseling inadequate'**  
**Editor:**  
Student counseling is inadequate or nonexistent at Texas A&M University.  
I have not found the advisors at A&M to be very helpful. I did not receive a letter from my advisor until over a month after I had passed my first semester. When I was finally able to get an appointment to see him he had no information on me.  
I have changed majors a first year at A&M, but I experienced less than an academic advisor.  
I think students are confused who their advisors are or what functions are supposed to be done. Friends that I have talked to either never go to their advisors or would not know how to find them.  
Seeing your advisor only registration to sign the schedule which you have seen. I think the effort to see their students at least once a semester. A closer relationship between student and their academic advisor would make a great school.

—Henry Mill...  
**Slouch**  
by Jim Eaton  
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