



Congress of the United States
House of Representatives
May 13, 2002

Stephen James
397 Dal-Rich Village #299
Richardson, Texas 75080-5715

Dear Stephen,

Thank you for contacting me about the income tax. It's good to hear from you.

I share your frustration with the current income tax code. The average family today pays more in taxes to government at all levels than it spends on food, clothing, and shelter combined. It pays those taxes through a complicated system that punishes saving and provides loopholes for special interests. The American people deserve not just tax relief, but broad-based tax reform. That's why I introduced H.R. 1040, the Freedom and Fairness Restoration Act.

The Freedom and Fairness Restoration Act aims to shrink the government and grow the economy through tax and spending reform. Under my plan, a flat rate income tax of 17 percent would simplify the process by which all Americans pay taxes, reduce the cost and inefficiency associated with the IRS, and increase prosperity by eliminating the double taxation on saving. Spending cuts outlined in the bill would accompany the flat tax in an effort to shrink the government and achieve our Founding Fathers' ideal of a smaller, less intrusive government.

While I appreciate your concern about the constitutionality of the current income tax, the 16th amendment to the Constitution gave Congress the authority to tax income. This amendment was adopted on February 3, 1913. On October 3, 1913, President Wilson signed the Tariff Act of 1913 into law, which laid the foundation for today's federal income tax.

Nevertheless, I appreciate knowing about your concern and will keep them in mind as Congress considers tax reform.

Respectfully yours,

A handwritten signature in black ink that reads "Dick Arme".

DICK ARMEY
Member of Congress