

PRESIDENT'S ADVISORY  
PANEL  
ON FEDERAL TAX REFORM

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I would like to address aspects of the tax system (2) which when properly analyzed are unfair and (3) specific examples of the tax code that distort personal decisions.

(2) Two aspects which I deem unfair is the charitable deduction which primarily grants lower taxes to those individuals often making donations of questionable value, possibly appraised at another questionable value and eventually the other taxpayers end up picking up the difference in revenue needed. One should not need such coercion to "give", this amounts to basically pickpocketing other taxpayers. A second aspect of the tax code that has similar unfairness is the mortgage deduction, the government should not entice "excessiveness" and encouragement of more debt by virtue of such a tax deduction. If the government wants more home ownership then work through ways to allow loans at reduced cost for up to 300 square feet per person listed on ones tax form so that an equitable allowance for living is attained without the excessiveness.

(3) A specific distortion of the tax code is the 401K tax differral plan, to differ taxes why should I be required to invest in stocks, etc over the which the destiny and the CEO salaries etc, I have no control of whatsoever. I want a plan that allows me to differ income where I have control such as buying real estate, or better yet if the government wants people to take more responsibility, get out of the business of grabbing money that should not be theirs for the taking, just plain reduce taxes and get out of the business of this "administration" of retirement funds.