

# RUTLEDGE DEAS

OIL AND GAS PRODUCER

LAFAYETTE, LOUISIANA 70505

PRESIDENT'S ADVISORY  
PANEL  
ON FEDERAL TAX REFORM

2005 MAR 30 A 8:06

February 11, 2005

Senator John Breaux  
503 Hart Senate Office  
Washington, DC 20510

Dear John:

You have never received a letter from me but here goes.

## A Social Security Plan

1. Take Social Security out of the General Fund.
2. Inact a National Sales Tax sufficient to cover cost of Social Security.
3. Eliminate the Self Employment Tax for all workers.
4. Inact a national savings account to include all methods of savings, ie: Stocks, bonds, mortgages, real estate, etc. with all tax payors contributing 1-5% of their income through withholding and otherwise. Value to be reclaimed at age 65 tax free.

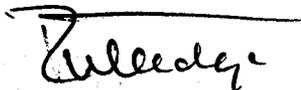
I, of course, know the politics will be difficult but the sales tax would be on all levels of production except food and medicines. Would 1% cover the costs - I don't know, but this is only a broad concept which may be in play there now.

The rich would pay more. They spend more and as Social Security costs go up with aging population increases, the increase in gross national product will increase - it always has. This way everyone pays to "old age benefit". Also, this simplifies the tax code specifically and opens other doors to reforming other taxes. Maybe medicare and medicaid can get thrown into the mix and the cost thereof covered.

Name the bill "Breaux Social Act".

Warmest regards always.

Sincerely,



Rutledge H. Deas, Jr.

RHDjr:pek

P.S. Don't stop playing tennis. I had to because of aches and pains. Miss it terribly.