

# The Legislative Process



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The story is always the same [in Congress]: Higher rates are imposed and at the same time loopholes are carefully framed which permit the wealthy to get out from under the higher taxes.

— Hubert H. Humphrey

The tax system today is not promoting prosperity based on individual enterprise and thriftiness. It is instead working, as all socialist redistribution schemes do, to enrich and benefit those who have access to the levers of power. In America that is the political donor class.

— David Cay Johnston

Unfortunately, bad tax policy is sometimes good politics.

— Daniel J. Mitchell

The U.S. tax code is the most political law in the world.

— Jonathan Blattmachr

[American tax laws] are constantly changing as our elected representatives seek new ways to ensure that whatever tax advice we receive is incorrect.

— Dave Barry

It currently requires the same majority to raise taxes as it does to declare National Banana Peel Week. That is wrong. Raising taxes should require a high enough threshold that elected officials do it only when there is a clear and compelling reason.

— Mike Huckabee

The tax subsidies tumble into the law without supporting studies, being propelled instead by clichés, debating points, and scraps of data and tables that are passed off as serious evidence. A tax system that is so vulnerable to this injection of extraneous, costly, and ill-considered expenditure programs is in a precarious state from the standpoint of . . . providing adequate revenues and maintaining tax equity.

— Stanley S. Surrey

There is an ancient belief that the gods love the obscure and hate the obvious. Without benefit of divinity, modern men of similar persuasion draft provisions of the Internal Revenue Code. Section 341 is their triumph.

— Martin D. Ginsburg

[Twenty-one years after noting to the Senate Finance Committee that section 341 contains a single sentence that is longer than the entire Gettysburg Address:] [T]he senators expressed horror about this, but, needless to say, the sentence is still there and the senators in question are not.

— Peter L. Faber

Is there a method to resolve the current problem of the tax system? Perhaps as a first step, Congress can pass its own ethical rules that will require each representative and senator to prepare and file his own tax return without any professional help or guidance and under penalty of being dismissed from Congress, certify his compliance to his respective ethic committees.

— Denis A. Kleinfeld

It might help if Americans called welfare programs — current benefits for select populations, paid for by current taxes — by their proper name, rather than by the soothing (and misleading) labels of “entitlements” and “social insurance.” That way, we might ask ourselves who deserves welfare and why.

— Robert J. Samuelson

Legislative changes in tax policy usually begin as marginal adjustments to the existing tax structure . . . . The tax code offers a variety of easily grasped levers. In this sense, it is an incrementalist paradise, susceptible and seductive to political tinkerers. As a result, most changes in tax bills consist of simple adjustments in existing tax provisions.

— John F. Witte

The problem is not just that the law is overly complex. The problem is also that we change it all the time.

— Gordon D. Henderson

One of the problems with trying to have a rational discussion about taxes is that so many people want to believe what's convenient rather than what's accurate. Believing, after all, requires so much less effort than thinking.

— Allan Sloan

If you want to be a low-tax person, you want to be in favor of low taxes; you also need to have the associated spending cuts that make that feasible. If you want to be a high-spending person because you think government programs are valuable, then you also have to accept the tax implications.

— Ben Bernanke

Complex laws spawn many inadvertent errors as well as opportunities for intentional noncompliance. Complex laws also contribute to taxpayer confusion and real or perceived unfairness in the tax system. Studies have shown that taxpayers are less likely to be compliant if they perceive the tax system to be inequitable.

— George K. Yin

The most fundamental maxim of tax reform is that, holding revenue and distribution constant, we should broaden the base and lower the rates. Politics is always pushing the tax system in the other direction, as taxpayers come in to make arguments about special circumstances that ostensibly call for more favorable treatment. Although these arguments often sound appealing, the long-run effect of special rules is to make the system more complicated, less efficient, and less fair.

— Daniel N. Shaviro

The most damaging thing you can do to any businessman in America is to keep him in doubt, and to keep him guessing, on what our tax policy is.

— Lyndon B. Johnson

[S]ome uncertainty [in the tax laws] may be useful in discouraging taxpayers from venturing too close to the edge, and thereby going over the edge, of established principles.

— Don Lubick

[T]here are dangers in having the tax laws up in the air all the time.

— Martin Neil Bailly

This idea that you start with a clean slate and end up with a beautiful, logical tax system just isn't democracy.

— John L. Knapp

[T]he features of a sales tax that make it so economically attractive are the same features that make it politically unfeasible.

— Martin A. Sullivan

[N]othing guarantees more applause and more support than the call to abolish the IRS.

— Frank Luntz

Underfunding the Internal Revenue Service in itself has an element of tax relief.

— Terence Floyd Cuff

A democracy cannot exist as a permanent form of government. It can only exist until a majority of voters discover that they can vote themselves largess out of the public treasury.

— Alexander Tytler

Late one night, just blocks from the Capitol, a mugger jumped into the path of a well-dressed fellow and stuck a gun in his ribs. "Give me your money," the thief demanded. "Are you kidding?" the man said. "I'm a U.S. congressman." "In that case," the mugger growled, cocking his weapon, "give me my money."

— *Playboy Magazine*

Politicians certainly must be considered the most formidable barrier to fundamental tax reform.

— David A. Hartman

The tax expert has power that no one else does, which is to say to the candidate and the political advisers that "you can't do that," or to say if you go ahead and do that, then it would be an economic catastrophe and you will be laughed at.

— Kevin Hassett

Tax reform, as distinct from tax reduction, inevitably involves curtailing some entrenched tax benefits.

— Edward P. Lazear and James M. Poterba

No matter how much badly designed tax policies stand as evidence that getting it "right" is difficult, when good policies are enacted and revisions well timed, they remind us that political honesty, tenacity, and integrity can help create a better, more efficient, and equitable system.

— Gene Steuerle

If we don't do something to simplify the tax system, we're going to end up with a national police force of internal revenue agents.

— Leon Panetta

When Congress talks about simplification, taxpayers may well be reminded of Emerson's comments regarding an acquaintance, "[t]he louder he talked of his honor, the faster we counted our spoons."

— Michael J. Graetz

Whenever politicians talk about streamlining or harmonizing taxes, clutch your wallets and pocketbooks — it's going to cost you money.

— Steve Forbes

Congress can raise taxes because it can persuade a sizable fraction of the populace that somebody else will pay.

— Milton Friedman

The Congress is a circus. To the music of braying donkeys, each elephant is led in circles by the tail of another. While they have the peoples' attention, the clowns write the tax laws.

— Jim Boren

If there is ever going to be fundamental tax reform [in the United States], it will occur in the second term of a popular president.

— Martin A. Sullivan

The question is: What can we, as citizens, do to reform our tax system? As you know, under our three-branch system of government, the tax laws are created by: Satan. But he works through the Congress, so that's where we must focus our efforts.

— Dave Barry

[S]ome in our [Republican] party miss no opportunity to roundly and loudly condemn affirmative action that helped a few thousand black kids get an education, but you hardly hear a whimper when it's affirmative action for lobbyists who load our federal tax code with preferences for special interests.

— Colin Powell

Our party has been accused of fooling the public by calling tax increases "revenue enhancement." Not so. No one was fooled.

— Dan Quayle

Thus the triple whammy: first, high [tax] rates reduce investment and growth; second, they encourage baroque loophole-seeking, which further exacerbates the unequal treatment of different kinds of income; third, the system gets ever more burdensome, shifting 6 billion person-hours yearly out of the productive economy and into the parasite economy of accountants and lobbyists.

— James P. Pinkerton

Tax provisions favoring one activity over another or providing targeted tax benefits to a limited number of taxpayers creates complexity and instability, impose large compliance costs, and can lead to an inefficient use of resources. A rational system would favor a broad tax base, providing special tax treatment only where it can be persuasively demonstrated that the effect of a deduction, exclusion, or credit justifies higher taxes paid by all taxpayers.

— Report of the President’s Advisory Panel on  
Federal Tax Reform (2005)

The United States will get a value added tax when conservatives realize that it is regressive, and liberals realize that it is a money machine.

— Lawrence Summers  
(attributed)

The most important ways in which I think the Internet will affect the big issue is that it will make it more difficult for government to collect taxes.

— Milton Friedman

[T]axes should not be hidden by being collected in bits and pieces over the course of a year as the taxpayer goes shopping, as either sales or value-added taxes.

— Stephen J. Entin

The first 9 pages of the Internal Revenue Code define income; the remaining 1,100 pages spin the web of exceptions and preferences.

— Warren G. Magnuson

The most earnest student can falter and reel in the ghost-world of [*The Talmud’s* discussion of the laws pertaining to] the Temple: the orders of priests and Levites, the different sacrifices, the varying purity rules for wine, bread, fish, water, metal, glass, wood, clay, leather, textiles; the times and immersions of purification — a network of laws fully as involved and as searching as the U.S. Internal Revenue Code.

— Herman Wouk

If the Lord loveth a cheerful giver, how he must hate the taxpayer!

— John Andrew Holmes

Our income tax system has been destroyed by complexity — a complexity caused largely by well-meaning efforts to achieve theoretical purity, eliminate every real and imagined “abuse,” and address nontax policy objectives.

— Fred T. Goldberg Jr.

When government uses subsidies to moralize, as with tax preferences for bonds that can be used to finance this but not that, government is speaking. It is expressing opinions about what is and is not wholesome. And once government starts venting such opinions, how does it stop?

— George Will

. . . I was brought up to believe that Scotch whisky would need a tax preference to survive in competition with Kentucky bourbon . . . .

— Hugo L. Black

Since the content of tax policy is both complex and uninteresting to most readers, the press prefers to write about corruption and lobbying. The ideal story reports on a political campaign contribution to a member of the tax committee who has gotten a special interest amendment adopted for the contributor.

— Thomas J. Reese

Killing the corporate income tax would improve the efficiency and competitiveness of U.S. business; eliminate incentives to relocate overseas or to engage in mind-boggling shelter transactions; cut down a major source of accountants’ compensation and a temptation to look the other way; eliminate disincentives to pay dividends and foster more efficient corporations, sensibly valued. Who can argue with that?

— Edward J. McCaffery

The corporate income tax is one of the best examples in American political history of the law of unintended consequences. It was originally intended as a means to tax the rich, but it quickly became one of the prime means by which the rich have avoided taxes.

— John Steele Gordon

Beware politicians who say they only want to tax the rich. Sooner or later their tax schemes will soak the middle class because that's where the real money is.

— *The Wall Street Journal*

One of the fundamental lessons of economics is that the burden of a tax is not necessarily borne by the person who sends a check to the government.

— N. Gregory Mankiw

Bear in mind that the higher [capital gains] tax is principally directed toward individual investors. Not foundations or pension funds. It will be the individual who takes the hit.

— Chuck Schwab

The first neat thing they teach you about taxes in economics school is that it does not matter if a tax is imposed on a buyer or a seller. It all comes out in the wash . . . For some reason (probably our mistrustful human nature), this most basic of economic lessons always gets lost on politicians and lobbyists.

— Martin A. Sullivan

Shareholders need to recognize that discussions about the corporate tax rate are about them.

— Safra A. Catz

No matter what anyone may say about making the rich and the corporations pay taxes, in the end they come out of the people who toil.

— Calvin Coolidge

Taxes are a changing product of earnest efforts to have others pay them.

— Louis Eisenstein

There may be liberty and justice for all, but there are tax breaks only for some.

— Martin A. Sullivan

I'm telling you right now, if these tax breaks are not reinstated into the budget, film production in this town [New York City] is going to collapse, and television is going to collapse and it's all going to go to California.

— Alec Baldwin

The less people know about how sausages and laws are made, the better they'll sleep at night.

— Otto von Bismarck

No one who has witnessed tax lobbyists' perennial infestation of Capitol Hill can ever again confuse the making of tax laws with the making of sausages: at least when you make sausages, you know the pigs won't be coming back.

— J. Mark Iwry

When plunder is organized by law for the profit of those who make the law, all the plundered classes try somehow to enter — by peaceful or revolutionary means — into the making of laws.

— Claude-Frederic Bastiat

We've got the hardest working people in the world. We've got the best tax policy in the world. I mean, we've got a lot going for us.

— George W. Bush

In a reversal of "No taxation without representation," women were required to pay federal income tax seven years before they won the right to vote.

— Loch Adamson

In case you didn't know, ethanol is made by mixing corn with your tax dollars.

— Paul A. Gigot

[M]ost people don't understand that regulatory laws can have the same effect as taxes.

— Gary S. Becker and Richard A. Posner

Excessive spending has no partisan affiliation. Regardless of the party in power, special interests always favor more spending, because they can earmark the benefits for themselves and diffuse the costs of excessive taxes or debt on the general citizenry.

— John O. McGinnis and Michael B. Rappaport

The powerful behavioral effects of taxation (more a tribute to the power of markets because all taxes do is change prices) have seduced politicians into thinking the tax code is an omnibus instrument for social good. It is not.

— Douglas Holtz-Eakin

Business has made it quite clear that the tax credit is the form in which it prefers to receive subsidies.

— Charles H. Percy

There's a lot of evidence you can sell people on tax increases if they think it's an investment.

— Bill Clinton

For me it's a little difficult to give tax relief to people that don't pay income taxes.

— Tom DeLay

Tax cuts are for *taxpayers*.

— Phil Gramm

Tax cuts chronically fare poorly in opinion polls but do quite well at the ballot box.

— Fred Barnes

Never trust a member [of the U.S. House of Representatives] who quotes the Bible, the Internal Revenue Code or the Rules of the House.

— Eugene McCarthy

Complexity does not enter the tax code so much out of malevolence as through misguided reform efforts and excessive demands made on tax laws as the vehicle for implementing public policy.

— Sheldon D. Pollack

It is beyond serious question that a tax does not cease to be valid merely because it regulates, discourages, or even definitely deters the activities taxed . . . . The principle applies even though the revenue obtained is obviously negligible . . . or the revenue purpose of the tax may be secondary . . . .

— Tom C. Clark

Tax systems can have multiple goals. For example, in addition to the common goal of raising revenue for the government, goals can also include redistributing income, stabilizing the economy, and achieving various other social and economic objectives through the use of preferences. Generally speaking, the greater the number of goals, the more complex is the tax system.

— General Accounting Office

Tax policies geared toward “social engineering” will invariably have unintended consequences . . . .

— Steve Kirkpatrick

The analysis of tax policy and tax legislation can be “highly conjectural” and consequently more art than science.

— Joint Economic Committee

It is impossible to simplify the tax code without at the same time affecting the fairness of the tax code.

— William G. Gale

Tax revolutions are few and far between. Taxes are so important to the economy that major changes in tax law are best achieved incrementally, giving notice well in advance and avoiding potentially large disruptions from big surprises.

— Robert H. Nelson

[A]lmost every time we pass a tax bill, we make the code more complex, increase the burden on the taxpayer, and make it harder to enforce.

— Trent Lott

Our tax system is so screwed up that even if we could agree on a better one, there is no way to get there from here.

— Jeffery L. Yablon

I think if we go back to basics and say the tax code is only to raise revenue and social welfare ought to be somewhere else, we would have a much better system.

— Martin Lobel

[T]he tax code is littered with relics of failed attempts at social engineering. Every one of them leaves more tax for someone else to pay.

— Thomas G. Donlan

I don't think the tax code should be a substitute for the appropriations process in making social change.

— Charles B. Rangel

[T]aking a government spending program and converting it into a tax preference does absolutely nothing to make the government truly smaller, even it is shrinks officially reported taxes and spending.

— Daniel N. Shaviro

The tax system should be designed to impose and to collect taxes, not to administer social programs.

— Donald C. Alexander

Real [tax] simplification has eluded us because we have failed to address head-on the public's addiction to tax incentives as a means of providing social services and funding government programs. Unless we deal with that problem, real simplification is impossible.

— Thomas F. Field

The political function of the [individual and corporate] income taxes, which is served by their being complex, is to provide a means whereby the members of Congress who have anything whatsoever to do with taxation can raise campaign funds. That is what supports the army of lobbyists in Washington who are seeking to produce changes in the income tax, to introduce special privileges or exemptions for their clients, or to have what they regard as special burdens on their clients removed. A [flat tax] would [thwart those objectives] since the structure of the tax is so simple and straightforward.

— Milton Friedman

Lawmakers have hit upon some ingenious ways to keep milking the cash cow. Rather than making certain changes in tax law permanent, they enact them for one- or two-year periods, after which the provisions expire. As the expiration date nears, special interests begin to lobby for an extension and invariably cough up more campaign funds.

— Donald L. Barlett and James B. Steele

In the tax law, complexity stems from rapacity taking cover in obscurity.

— J. Mark Iwry

The purse of the people is the real seat of sensibility. Let it be drawn upon largely, and they will then listen to truths which could not excite them through any other organ.

— Thomas Jefferson

If Patrick Henry thought that taxation without representation was bad, he should see how bad it is with representation.

— *The Old Farmer's Almanac*

We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and their unemployment benefits. With those taxes in there, no damn politician can ever scrap my social security program.

— Franklin D. Roosevelt  
(attributed)

I'm not for increasing taxes to increase spending on anything no matter how meritorious it is. It's a bad precedent.

— Phil Gramm

One way to reduce taxes is to hold elections every year because there never seem to be tax increases in an election year.

— Anonymous

My opponent won't rule out raising taxes, but I will. Congress will push me to raise taxes, and I'll say no, and they'll push, and I'll say no, and they'll push and I'll say, "Read my lips: *no new taxes.*"

— George H.W. Bush

Conservative governments which increase taxation lose elections.

— Margaret Thatcher

Not over my dead body will they raise your taxes.

— George W. Bush

Trouble is, a promise to maintain fiscal discipline doesn't make anyone stand up and cheer. Tax cuts, on the other hand, make millions stand up and cheer and hundreds of thousands so happy they'll write millions of dollars in checks to fund a re-election campaign.

— Bob Kerrey

No party ever won the White House (or Congress) by balancing the federal budget, nor did anyone ever lose a national election by producing huge deficits.

— William Greider

Tax cuts are never as popular with politicians in good times as are tax increases in bad times.

— Arthur B. Laffer

We don't have a trillion-dollar debt because we haven't taxed enough; we have a trillion-dollar debt because we spend too much.

— Ronald Reagan

The politicians saw “we” can’t afford a tax cut. Maybe we can’t afford the politicians.

— Steve Forbes

We don’t have a revenue problem. We have a spending problem. We could raise taxes by billions but they would only further drive up spending by billions of dollars.

— Arnold Schwarzenegger

The reality is that for the last quarter century, Congress and the presidents have betrayed us by concocting tax laws that are insincere, unfair, and convoluted. We’re just learning that when it comes to taxes, Washington speaks with an accomplished forked tongue.

— Martin L. Gross

Consider the United States Constitution. The Constitution is open-ended, generalized and telescopic in character. What has it spawned? Pervasive ambiguity and unending litigation.

Contrast the extreme counter-model of law, the Internal Revenue Code and its festooned vines of regulations. Code and regulations are particularized, elaborated and microscopic in character. What have they spawned? Pervasive ambiguity and unending litigation.

— Bayless Manning

Just because the Tax Code allows an action doesn’t necessarily make it a good idea.

— Jane C. Nober

There is a constant cry and a natural desire for a “simple” income tax law. America can have a simple income tax law anytime it wants it. It would not be especially difficult to draft . . . . The trouble is you wouldn’t want that law. You wouldn’t stand for it. Americans would not tolerate any “simple” income tax law. Why? The reason is simple. Any “simple” income tax law would take a “meat axe” approach. It would be outrageously discriminatory. It would be grossly inequitable and unfair to a lot of people.

— Laurens Williams

[V]irtually every major accounting firm is an aggressive adversary of tax simplification.

— Stephen Moore

In every free country the power of laying taxes is considered a legislative power over the property and persons of the citizens.

— Salmon P. Chase

Getting a narrow tax break into the tax code is hard enough; getting it out can be even harder.

— Jackie Calmes

They [the people] prescribe no limits to the exercise of this right [taxation], resting confidently on the interest of the legislator, and on the influence of the constituents over their representative, to guard them against its abuse.

— John Marshall

Since the 1980s, it seems as if every journalist writing on tax policy is out to win a Pulitzer Prize by exposing some Watergate-type scandal of corruption and greed lurking behind the provisions of the tax code.

— Sheldon D. Pollack

Our taxes reflect a continuing struggle among contending interests for the privilege of paying the least.

— Louis Eisenstein

An irrepressible conflict has been raging for a thousand years between the strong and the weak, [with] the former always trying to keep the chief tax burdens upon the latter.

— Cordell Hull

Taxation, like water flowing downstream, some day will seek its level and cover those who have and those who have not, and the very people upon whom you are attempting to place the burden of taxation will shift the proper share to the people whom you are attempting to make believe you are relieving from taxation.

— Edward Cooper

The great correction of excessive taxation is its oppression on the constituent, which causes a reaction to reduce it.

— Levi Woodbury

The power to make distinctions exists with full vigor in the field of taxation.

— Stanley F. Reed

Any substantial tax reform would involve substantial redistributions of tax burdens and substantial changes in asset values, and you need some “lubrication” [*i.e.*, transition rules].

— Robert Reischauer

Tax complexity itself is a kind of tax.

— Max Baucus

The tax code has just grown so complex and so ugly, like an unkempt hedge or lawn that never gets mowed.

— Alan Blinder

The complexity of our [tax] code in the main is not there because of some mischief. Most of it is there in the effort to do more perfect justice.

— Russell B. Long

I trust that the Congress will give its immediate consideration to the problem of future taxation. Simplification of the income and profits taxes has become an immediate necessity.

— Woodrow Wilson

The greatest tax simplification would be to have the law remain settled for several years so we could all catch up.

— Sheldon S. Cohen

[T]wo things are abundantly clear. One, tax simplification is desperately needed. Two, any effort is likely to be an unmitigated disaster.

— Jonathan Clements

The long avoidance of a wealth tax has been one of the great triumphs of the American upper classes.

— Richard Todd

Of course the truth is that the congresspersons are too busy raising campaign money to read the laws they pass. The laws are written by staff tax nerds who can put pretty much any wording they want in there. I bet that if you actually read the entire vastness of the U.S. Tax Code, you'd find at least one sex scene (“‘Yes, yes, YES!’ moaned Vanessa as Lance, his taut body moist with moisture, again and again depreciated her adjusted gross rate of annualized fiscal debenture”).

— Dave Barry

Distinctions which originated under a feudal economy when land dominated social relations are peculiarly irrelevant in the application of tax measures now so largely directed toward intangible wealth.

— Felix Frankfurter

[Tax expenditures are] those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption or deduction from gross income or which provide a special credit, preferential rate of tax or a deferral of tax liability.

— Congressional Budget and  
Impoundment Control Act of 1974

There is nothing in the Constitution which requires a state to adopt the best possible system of taxation.

— Harlan F. Stone

Fundamental [tax] reform almost always runs the risk of making things worse.

— Dan Rostenkowski

When the people are weary of any one sort of Tax, presently some Projector propounds another, and gets himself Audience, by affirming he can propound a way how all the Publick Charge may be born without the way that is.

— William Petty

The tariff, then nearly synonymous with federal taxes, was a prime cause of the Civil War.

— *American Heritage Magazine*

Systems of taxation need not achieve the ideal. But the fact that the Constitution does not demand pure reason and is satisfied by practical reason does not justify unreason.

— Felix Frankfurter

[A tax loophole is] something that benefits the other guy. If it benefits you, it is tax reform.

— Russell B. Long

Lobbyists know that a 0 percent tax rate on capital income is not, in fact, the lowest possible rate. There can be negative tax rates. There can be subsidies. There can be allowances for depreciation. Lobbyists are adaptive creatures.

— Joel Achenbach

When [politicians] start naming tax laws after themselves, we are definitely not on the road to simplicity. It crosses some kind of line.

— Christopher Bergin

Taxation . . . in most communities is a long way off from a logical and coherent theory.

— Oliver Wendell Holmes Jr.

[W]e tax generosity within families — even as we encourage people to deduct gifts to strangers.

— Allan Reynolds

Contrary to what some people claim, the tax laws have a lot of respect for logic. They use it so sparingly.

— Jeffery L. Yablon

Although it often seems as though the drafters of tax statutes delight in taxing people on the basis of what their advisers are likely to miss, Congress has not explicitly adopted this as policy.

— Lee A. Sheppard

Representation is the ordinary guaranty of fairness in taxation.

— Robert H. Jackson

Nothing has contributed more to retarding the emergence of a democratic context in places like Venezuela, Nigeria, Saudi Arabia, and Iran than the curse of oil. As long as the monarchs and dictators who run these oil states can get rich by drilling their natural resources — as opposed to drilling the natural talents and energy of their people — they can stay in office forever . . . . They never have to tax their people, so the relationship between ruler and ruled is highly distorted. *Without taxation, there is no representation.*

— Thomas L. Friedman

If oil is discovered in a country before democratic institutions are in place, the probability of that country becoming democratic is very low. In countries where the state does not rely on the taxation of its citizens for its revenues, it doesn't have to listen to what its citizens want to do with that money. So instead of building roads or schools or doing things that taxpayers would demand of them, they use their money in ways that threaten the security of other countries, and, ultimately, their own.

— Michael McFaul

In a country advancing in wealth, whose increasing revenue gives it the power of ridding itself from time to time of the most inconvenient portions of its taxation, I conceive that the increase of revenues should rather be disposed of by taking off taxes, than by liquidating debt, as long as any very objectionable imposts remain.

— John Stuart Mill

Taxes are the killing fields for Democrats.

— Grover Norquist

Democrats were put on earth to raise taxes; Republicans were put here to stop them.

— Anonymous Republican Congressional Staff Member

The genius of our ruling class is that it has kept a majority of the people from ever questioning the inequity of a system where most people drudge along, paying heavy taxes for which they get nothing in return.

— Gore Vidal

In every community those who feel the burdens of taxation are naturally prone to relieve themselves from it if they can . . . . One class struggles to throw the burden off its shoulders. If they succeed, of course, it must fall upon others. They also, in their turn, labor to get rid of it, and finally the load falls upon those who will not, or cannot, make a successful effort for relief.

— James C. Carter

The soundest principles of republicanism do sanction some relation between representation and taxation . . . . The two ought to be connected . . . . This was the principle of the revolution.

— John Marshall

A desire for equality among taxpayers is to be attributed to Congress, rather than the reverse.

— Stanley F. Reed

[S]cratch the surface in a “business-unfriendly” state and you’ll find a low property tax and high voter demand for services.

— Julia Homer

You [senators] and the American people don’t have a clue about how the IRS does its job, and that’s just the way they like it.

— Shelley Davis

If you ask me what single law I would pass to gain the greatest amount of tax simplification with fairness, I would say, without hesitation, campaign financing reforms. That would be a giant step forward. It’s not that problems of complexity are not understood. Complexity is the result of a failure of will to do anything about it.

— Jerome Kurtz

The Internal Revenue Code is the most persuasive brief ever written for campaign finance reform.

— J. Mark Iwry

[M]aking tax law based on personal anecdote is never a good idea.

— Alan Murray

Lasting tax reform will not come without lasting political reform.

— John F. Witte

In the last twenty years, revenue needs have come to exceed the demands that legislatures feel it expedient to make upon accumulated wealth or property with fixed location within the state. The states therefore have turned to taxing activities connected with the movement of commerce, such as exchange and consumption.

— Robert H. Jackson

Objects and means of taxation were not in the years past sought for with the same avidity as at present [*i.e.*, 1904]. The demand for revenue was not so great.

— David J. Brewer

Sound principles will not justify our taxing the industry of our fellow citizens to accumulate treasure for wars to happen we know not when, and which might not perhaps happen but from the temptations offered by that treasure.

— Thomas Jefferson

Our modern income tax experience began with the Revenue Act of 1913. The World War soon brought high rates.

— Robert H. Jackson

Taxes are never popular, but they are never more popular than during wars.

— Steven A. Bank, Kirk J. Stark, and Joseph J. Thorndike

The tax law often favors cohabitation to marriage, institutional to family child-care, and indebtedness to parsimony. Is this good social policy?

— Richard K. Vedder and Lowell E. Gallaway

I can't make a damn thing out of this tax problem. I listen to one side and they seem right — and then I talk to the other side and they seem just as right, and here I am where I started. God, what a job!

— Warren G. Harding

I guess you will have to go to jail. If that is the result of not understanding the Income Tax Law I will meet you there. We shall have a merry, merry time for all our friends will be there. It will be an intellectual center, for no one understands the Income Tax Law except persons who have not sufficient intelligence to understand the questions that arise under it.

— Elihu Root

The income tax laws do not profess to embody perfect economic theory.

— Oliver Wendell Holmes Jr.

I know of no power, indeed, of which a free people ought to be more jealous, than of that of levying taxes and duties.

— Joseph Story

If any behavior needs to be reined in, it should be the propensity of people to use the political system to take other people's money.

— Jeffrey A. Singer

I have long said, "I never met a tax cut I didn't like" — though I would go on to say that I like some better than others.

— Milton Friedman

Not all tax cuts are created equal . . . . [T]hose accompanied by spending restraint would be more effective than those which are not.

— Benjamin S. Bernanke

If tax cuts are phased in over time, people will defer economic activity to take advantage of the lower future tax rates, which only makes the economy worse right now.

— Kenneth Blackwell and Arthur B. Laffer

The best way to restrain the politicians' impulse to spend and to expand government's reach is to keep the surplus modest. That means lowering taxes.

— R. Emmett Tyrrell

[Responding to Chancellor of the Exchequer Gladstone's question as to the practical uses of electricity:] Why, sir, there is every probability that you will soon be able to tax it!

— Michael Faraday

This year is not much different from other years. The Ways and Means Committee worked up its draft of the 1997 tax bill in secret and revealed it on June 9 and 10. The bill passed the House less than a month later. No hearings were held on the actual bill. It was funny (if that is the proper word) to watch the chief of staff of the Joint Tax Committee on June 12 describe the bill to the members. He was speaking at a rapid pace, so fast that most of the members could not possibly have understood him. I, as a tax expert, had a very tough time in following his rapid explanation. He answered questions very narrowly, and there was a vote. A few good lobbyists got advanced word and were able to change a few things, but most of us only watched in awe, or disbelief, that this was the way to make a law.

— Sheldon S. Cohen

We shall tax and tax, and spend and spend, and elect and elect.

— Harry L. Hopkins  
(attributed)

Liberals have practiced "tax and tax, spend and spend, elect and elect" but conservatives have perfected "borrow and borrow, spend and spend, elect and elect."

— George Will

Republicans say tax cuts, tax cuts, tax cuts. Democrats say spend, new programs, more money. You can't spend enough for the Democratic base, or cut enough for the Republican.

— Peggy Noonan

[T]here are always numerous desirable things that government officials can offer to provide to voters who want them — either free of charge or at reduced, government-subsidized prices — even when these voters do not want these increments enough to sacrifice their own money to pay for them. Ultimately, of course, the public ends up paying as taxpayers for things that they would not have chosen to pay for as consumers.

— Thomas Sowell

The tendency of taxation is to create a class of persons who do not labor, to take from those who do labor the produce of that labor, and to give it to those who do not labor.

— William Cobbett

Lower taxes that force cutbacks and reforms in spending programs often produce a double benefit. Besides the direct benefit from lower marginal tax rates on income, dividends, or investments, there are indirect benefits from the forced reductions in inefficient spending programs. This might be an overly generous welfare system or programs that benefit constituents of powerful members of Congress.

— Gary S. Becker, Edward P. Lazear, and Kevin M. Murphy

New taxes are so unpopular that most “social” handout schemes are originally enacted without enough increased taxation to pay for them. The result is chronic government deficits, paid for by the issuance of additional paper money.

— Henry Hazlitt

A government which robs Peter to pay Paul can always depend on the support of Paul.

— George Bernard Shaw

A liberal is someone who feels a great debt to his fellow man, which debt he proposes to pay off with your money.

— G. Gordon Liddy

I cannot undertake to lay my finger on that article of the Constitution which granted a right to Congress of expending, on objects of benevolence, the money of their constituents . . . .

— James Madison

[A] democratic government is the only one in which those who vote for a tax can escape the obligation to pay it.

— Alexis de Tocqueville

Hypocrisy . . . raises its head every time the subject of tax simplification comes up.

— Lee A. Sheppard

To extinguish a Debt which exists and to avoid contracting more are ideas almost always favored by public feeling and opinion; but to pay Taxes for the one or the other purpose, which are the only means of avoiding the evil, is always more or less unpopular. These contradictions are in human nature.

— Alexander Hamilton

The only way you can do that [decrease taxes, balance the budget, and increase military spending] is with mirrors, and that's what it would take.

— John B. Anderson

What an increase of rent is to the farmers, an increase of taxation is to the public . . . so long as it is confined within moderate limits, it acts as a powerful stimulus to industry and economy, and most commonly occasions the production of more wealth than it abstracts.

— J.R. McCulloch

There is a prevailing maxim among some reasoners, *That every new tax creates a new ability in the subject to bear it, and that each increase of public burdens increases proportionably the industry of the people.*

— David Hume

The appropriation of public money always is perfectly lovely until someone is asked to pay the bill.

— Calvin Coolidge

Why should the federal government tax the consumption of red wine, while it does not tax cola drinks, particularly in light of empirical evidence that suggests that moderate wine drinking is actually beneficial?

— Richard K. Vedder and Lowell E. Gallaway

All taxes discourage something. Why not discourage bad things like pollution rather than good things like working or investment?

— Lawrence Summers

The best legislator is the one who votes for all appropriations and against all taxes.

— Walter P. Brownlow  
(attributed)

The design of a tax system, including the extent to which it confers avoidance power, reflects the values of its designers. Tax systems, after all, do not follow the laws of nature. The design of a tax system is not ordained by anything even remotely analogous to the law of gravity. Unlike the falling of a pebble released from a hand, a particular tax system is not the inevitable result of forces which humans can understand, perhaps control and sometimes escape from, but cannot alter. Rather, tax systems are products of human creation. They exist because they serve human objectives, reflecting the values of their designers. A tax system's design can reveal much about those values.

— Alice G. Abreu

Although it makes exceptions and backslides, the U.S. welcomes most imports and taxes them lightly because that's the policy that's best for most Americans.

— Thomas G. Donlan

If the rich are so powerful, why are they taxed so heavily?

— Robert J. Samuelson

The financial policy of the welfare state requires that there be no way for the owners of wealth to protect themselves.

— Alan Greenspan

Are the Republicans in Congress more Machiavellian than we tend to give them credit for? Can it be that their objective is to so burden every taxpayer that they — of every income bracket — will rise up and revolt and demand a new tax system?

— Denis A. Kleinfeld

If your goal is to get rid of the income tax, creating a variety of unnecessary complexities is a strategic advantage. It gives people a reason to move to another tax system.

— William G. Gale

The failure of tax replacement campaigns is attributable to many factors, not least the functional success of our current tax regime; for all its problems, the income tax has always managed to pay the bills, and regimes change only when they must.

— Joseph J. Thorndike

[A] reformed [tax] system might be unworkable or not function as intended.

— Pam Olson

Taxation is neither a penalty imposed on the taxpayer nor a liability which he assumes by contract. It is but a way of apportioning the cost of government among those who in some measure are privileged to enjoy its benefits and must bear its burdens. Since no citizen enjoys immunity from the burden, its retroactive imposition does not necessarily infringe due process.

— Harlan F. Stone

Tax legislation is not a promise, and a taxpayer has no vested right in the Internal Revenue Code.

— Harry Blackmun

That most delicious of all privileges — spending other people’s money.

— John Randolph

Taxing is an easy business. Any projector can contrive new impositions; any bungler can add to the old; but is it altogether wise to have no other bounds to your impositions than the patience of those who are to bear them?

— Edmund Burke

It’s not a new tax; it’s simply collecting an existing tax. I don’t regard it as a tax increase. It’s only a tax increase to the person who is paying it.

— Paul Francis

Q. I understand that Congress is considering a so-called “flat” tax system. How would this work?

A. If Congress were to pass a “flat” tax, you’d simply pay a fixed percentage of your income, and you wouldn’t have to fill out any complicated forms, and there would be no loopholes for politically connected groups, and normal people would actually understand the tax laws, and giant talking broccoli stalks would come around and mow your lawn for free, because Congress is NOT going to pass a flat tax, you pathetic fool.

— Dave Barry

We have created a tax monster. I don’t know anybody who defends our current tax system — anybody. We have used taxes inappropriately to achieve political, ideological, and social goals.

— David Cay Johnston

The federal income tax is a complete mess. It's not efficient. It's not fair. It's not simple. It's not comprehensible. It fosters tax avoidance and cheating. It costs billions of dollars to administer. It costs taxpayers billions of dollars in time spent filling out tax forms and other forms of compliance. It costs the economy billions of dollars in lost output of goods and services from investments being made for tax rather than for economic purposes. It involves tens of thousands of lawyers and lobbyists getting tax benefits for their clients instead of performing productive work. It can't find ten serious economists to defend it. It is not worth saving.

— Robert E. Hall and Alvin Rabushka