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Happy Tax Freedom Day *Beginning April 24, You Finally Work for Yourself*

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According to the most recent calculations by the Tax Foundation in Washington, Tax Freedom Day falls on April 23, 2008. This is the day on which you have earned enough money to pay all of your taxes – federal, state, and local – if every dime you earned beginning January 1 went solely for Taxes, On April 24, you start working for yourself and your family.

This means you are working just about one third of the year for government at all levels. Only then are you able to keep your paycheck to provide for the needs of your home, family, business, etc.

The Tax Foundation has been tracking Tax Freedom Day since 1971. In its most recent report, “America Celebrates Tax Freedom Day,” the Tax Foundation provides not only current data, but also historical data showing the growth in the cost of government since 1900. It also breaks down Tax Freedom Day by state, showing the date on which citizens within each state of the Union have earned enough to pay taxes based upon state and local burdens.

Tax Freedom Day is expected to arrive a bit earlier this year than in the last four years. The reasons for that are, 1) the slowdown in the economy will produce lower income, and 2) the onetime stimulus rebates that will go out this year.

The most shocking revelation of the report relates to the cost of government versus the cost of other significant consumer spending. Consider this:

Americans will work longer to pay for government (113 days) than they will for food, clothing, and housing combined (108 days). In fact Americans will work longer to afford federal taxes alone (74 days) than they will to afford housing (60 days). As a group, Americans will also work longer to pay state and local taxes than they will to pay for food. Report, page 1; emphasis added.

The full text of the report is available at www.taxfoundation.org/files/sr160.pdf.

On the basis of this evidence, I can hardly imagine why it is necessary to engage in any talk about tax increases. Every candidate for federal and state office should recognize the profound burden that taxes put on families, especially at a time when the cost of food and fuel is rising so quickly.

Yet we have candidates promising, not tax relief, but an even greater tax burden. In my home state of Minnesota, for example, not only have the tax-and-spenders in the state legislature promised more tax increases, they delivered on that promise. They passed a \$6.6 billion tax increase this session and had to override the governor’s vote to do it.

The irony is that much of the revenue is provided for in the form of, can you imagine a gas tax increase!

Americans must begin to recognize that high taxes affect the standard of living of everybody. The costs of paying taxes and complying with the Byzantine tax code substantially increase the cost of every product and service in the market place. This has a negative impact on even low-income citizens who allegedly pay no taxes, because now they must pay more for every product and service they purchase. This is a very real tax, albeit a hidden one.

Beware of politicians who promise more and demand that the government “do more.” This ultimately means that the government will cost more and in the process, your capacity to provide for your family and make decisions about your spending is reduced. Every dollar you pay in taxes gives the government that much more control over your life and the decisions you make.

The question we should be asking is, who should have control over the most important decisions that affect you and your family? Should you have that control, or should government?

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