

Progressivity and Equity



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That which angers men most is to be taxed above their neighbours.
— Sir William Petty

The moment you abandon . . . the cardinal principle of exacting from all individuals the same proportion of their income or their property, you are at sea without rudder or compass, and there is no amount of injustice or folly you may not commit.

— J.R. McCulloch

In a republican form of government, the true theory is to make no distinctions as to persons in the rates of taxation. Recognizing no class for special favors, we ought not to create a class for special burdens.

— Justin S. Morrill

Under wise and constitutional legislation, every citizen should contribute his proportion, however small the sum, to the support of government, and it is no kindness to urge any of our citizens to escape this obligation.

— Stephen J. Field

The tax expenditure concept posits that an income tax is composed of two distinct elements. The first element consists of structural provisions necessary to implement a normal income tax The second element consists of the special preferences found in every income tax. These provisions, often called tax incentives or tax subsidies, are departures from the normal tax structure and are designed to favor a particular industry, activity, or class of persons.

— Stanley S. Surrey and Paul R. McDaniel

The tax system has become the vehicle of choice for influencing economic policy, the distribution of the tax burden, the state of the economy, the social welfare of families, and almost anything else you want to mention.

— Gene Steuerle

We live in a society of one person, one vote, where progressive taxes have been enacted precisely to weaken the winners.

— Nassim Nicholas Taleb

There appears to be a widespread consensus that an element of progression is desirable in the tax structure.

— William Simon

It is not very unreasonable that the rich should contribute to the public expense, not only in proportion to their revenue, but something more than in that proportion.

— Adam Smith

Is this not true — That in proportion to the value of their estates the extremely wealthy pay far less taxes than those of moderate means? Compare the amount paid by millionaires with the amount paid by ordinary citizens. I believe that in proportion to their estates they pay less than half as much as ordinary citizens, whereas they ought to pay more.

— Rutherford B. Hayes

The need for a progressive tax system is imprinted on the American DNA.

— James Q. Riordan

Progressive taxation of income and profits means that precisely those parts of the income which people would have saved and invested are taxed away.

— Ludwig von Mises

Another false remedy for poverty is the progressive income tax, as well as a very heavy burden of capital gains taxes, inheritance taxes, and corporate income taxes. All of these have the effect of discouraging production, investment, and capital accumulation. To that extent they must prolong rather than cure poverty.

— Henry Hazlitt

Nothing is more calculated to make a demagogue popular than a constantly reiterated demand for heavy taxes on the rich. Capital levies and high income taxes on the larger incomes are extraordinarily popular with the masses, who do not have to pay them.

— Ludwig von Mises

I find it hard, as a liberal, to see any justification for graduated taxation solely to redistribute income. This seems a clear case of using coercion to take from some in order to give to others and thus to conflict head-on with individual freedom.

— Milton Friedman

He [Barack Obama] says that he is for a tax credit, which is when government takes your money in order to give it away to someone else.

— John McCain

The king employs a considerable part of the tribute in grants of largesse, bestowed by way of banquets or presents, to those whose support consolidates his authority, whereas their defection would endanger it. Do we not see modern governments as well using the public funds to endow social groups or classes, whose votes they are anxious to secure? Today the name is different, and it is called the redistribution of incomes by taxation.

— Bertrand de Jouvenel

As income tax initially enacted at low rates and later seized upon as a means to redistribute income in favor of the lower classes has become a facade covering loopholes and special provisions that render rates that are highly graduated on paper largely ineffective.

— Milton Friedman

The very first Social Security check, for \$22.54, was paid in 1940 to a Vermont woman who had paid \$22 in Social Security taxes. By the time she died, in 1974, aged 100, she had collected \$20,944.42.

— Andrew Tobias

One of the basic principles of optimal taxation is that the government should tax less the goods which have a supply more elastic to tax rates. Women labor supply is more elastic than that of men to after tax wages. Therefore optimal taxation theory implies that tax rates on labor income should be lower for women than for men.

— Alberto Alesina and Andrea Ichino

Unlike proportionality, progression provides no principle which tells us what the relative burden of different persons ought to be . . . the argument based on the presumed justice of progression provides no limitation, as has often been admitted by its supporters, before all incomes above a certain figure are confiscated, and those below left untaxed.

— Friedrich A. Hayek

Whenever you have growth and [income tax rate] progressivity, people move into higher tax brackets and the government gets a larger take. The economy may expand fast, but government will expand even faster.

— *The Wall Street Journal*

In the matter of taxation, every privilege is an injustice.

— Voltaire

Taxation may not be universal, but it must be general and uniform.

— Thomas Cooley

To tax and to please is not given to me, but to tax and be fair is.

— N.A. Palkhivala

Moral hazard exists when a policy produces incentives for perverse behavior [For example] the policy of removing tens of millions of voters from the income tax rolls, thereby making government largess a free good for them.

— George Will

Highly graduated taxation realizes most completely the supreme danger of democracy, creating a state of things in which one class imposes on another burdens which it is not asked to share, and impels the State into vast schemes of extravagance, under the belief that the whole costs will be thrown upon others.

— W. E. H. Lecky

If you look at who precisely pays income taxes, the reason is clear the top 5% of taxpayers . . . paid over half the total tax revenue. Since it is exactly the rich who disproportionately pay most of the income tax, it would be impossible to lower taxes without benefiting them disproportionately. Hey, it's their money.

— *The Wall Street Journal*

I have no disposition to tax wealth unnecessarily or unjustly, but I do believe that the wealth of the country should bear its just share of the burden of taxation and that it should not be permitted to shirk that duty.

— Cordell Hull

Our tax system comes up short in a lot of areas. It doesn't foster economic growth. It isn't very simple. And it certainly isn't fair. The one place where it does excel is at redistributing income.

— Ari Fleischer

Like philanthropy, saving is an act of self-denial that enriches your neighbors (by leaving more goods available for them to consume). But unlike philanthropy, saving is punished by the tax system (via the taxes on interest, dividends, capital gains and inheritance). That's nuts.

— Steven E. Landsburg

[I]deas of fairness in taxation are usually nebulous.

— Roy Blough and Carl Shoup

Some laws have moral force of their own. That is less clear about tax laws than many other laws.

— Terence Floyd Cuff

The only thing that hurts more than paying an income tax is not having to pay an income tax.

— Lord Thomas R. Dewar

The Higher the Tax Bracket, the Better the View.

— Advertisement for Luxury
Florida Real Estate Development

For most people, a lower capital gains rate is meaningless. For the upper middle class it is a nice little tax cut. For the rich it is a major tax cut. For the superrich it is the most important aspect of their federal income tax liability.

— Martin A. Sullivan

The rich don't mind high taxes because they already have their money.

— Barney Kilgore

Rich folks should pay their taxes, in part so their offspring will have less leeway to become idle and go off the rails.

— Lee A. Sheppard

[T]he illusion that by means of progressive taxation the burden can be shifted substantially onto the shoulders of the wealthy has been the chief reason why . . . the masses have come to accept a much heavier load than they would have done otherwise.

— Friedrich A. Hayek

A person should be taxed according to his means.

— *Talmud*

When a rich man is taxed, he need only retrench his superfluities, but when a poor man is taxed that can only increase his miseries.

— George Mason

Social unrest and a deepening sense of unfairness are dangers to our national life which we must minimize by rigorous methods. People know that vast personal incomes come not only through the effort or ability or luck of those who receive them, but also because of the opportunities for advantage which Government itself contributes. Therefore, the duty rests upon the Government to restrict such incomes by very high taxes.

— Franklin D. Roosevelt

If we make taxes commensurate to the damage that an individual does to others when he earns more — [*i.e.*, the damage to others' self-image and happiness], then he will only work harder if there is a true net benefit to society as a whole. It is efficient to discourage work effort that makes society worse off.

— Richard Layard

Most states tax systems are regressive . . . but are balanced by a progressive federal tax system. It is important to maintain that balance.

— Robert Greenstein

The fairness of taxing more lightly income from wages, salaries, or from investments is beyond question. In the first case, the income is uncertain and limited in duration; sickness or death destroys it and old age diminishes it; in the other, the source of income continues; the income may be disposed of during a man's life and it descends to his heirs.

Surely we can afford to make a distinction between the people whose only capital is their mental and physical energy and the people whose income is derived from investments.

— Andrew Mellon

People want *just* taxes more than they want *lower* taxes. They want to know that every man is paying his proportionate share according to his wealth.

— Will Rogers

If our government is going to be able to provide for the common good, everybody has to contribute his or her fair share in the form of taxes. And when I say “everybody,” I mean, “not everybody.” Because the truth is that a lot of people don’t pay taxes. Poor people, for example. Also many rich people. Also a fair number of middle-income people.

— Dave Barry

From the Boston Tea Party to now, tax fairness is firmly parked in the American psyche.

— Richard Neal

The Boston patriots who threw the tea chests into the harbor were not calling for cheaper tea. They were demanding the right to decide for themselves, in their own colonial assembly, how to tax their own tea — and refusing to let somebody else’s Parliament decide for them. They would have been stunned to see their protests interpreted two centuries later as attacks on taxation in general. They had no interest in renouncing their own power to tax themselves.

— Robin L. Einhorn

It was not because the three-penny tax on tea was so exorbitant that our Revolutionary fathers fought and died, but to establish the principle that such taxation was unjust. It is the same with this woman’s revolution; though every law were as just to woman as to man, the principle that one class may usurp the power to legislate for another is unjust, and all who are now in the struggle from love of principle would still work on until the establishment of the grand and immutable truth, “All governments derive their just powers from the consent of the governed.”

— Susan B. Anthony

Taxes were very much at the center of the American Revolution. The lack of representation added a convenient slogan, but the root of the problem is that the colonists did not like taxes; they did not seek representation.

— Terence Floyd Cuff

I had now formed a clear and settled opinion, that the people of America were well warranted to resist a claim that their fellow-subjects in the mother-country should have the entire command of their fortunes, by taxing them without their consent.

— James Boswell

It is difficult to distinguish between protests of men and women of the 1700's whom we now characterize as "patriots" and the claims of modern tax protestors whose claims we more readily dismiss.

— Terence Floyd Cuff

The United States Congress has labored for almost a hundred years to produce a fair tax code, with impressively awful results.

— Thomas G. Donlan

The man of great wealth owes a peculiar obligation to the State, because he derives special advantages from the mere existence of government.

— Theodore Roosevelt

A tax system, to be workable in a democratic country, must in general appeal to the sense of fairness of the people.

— Roy Blough and Carl Shoup

Let's raise taxes on trust fund kids and lower taxes on workers.

— Jonathan Barry Forman

The more heavily a man is supposed to be taxed, the more power he has to escape being taxed.

— Paul Dickson

We need to get out of the rut. We need a new mindset for thinking about taxes and expenditures. Here are some ideas. First, tax systems are blunt instruments and are not particularly effective for redistributing income or wealth. Second, well-designed and administered programs for education, health, and income support are more likely to reduce disparities between the rich and the poor and to reduce poverty. Third, we need to move away from thinking about increasing the tax burden on the rich as the primary way to increase spending for the poor.

— Eric M. Zolt

The rich aren't like us; they pay less taxes.

— Peter De Vries

[I]t would be dangerous to entrust the power to determine tax policies to a class of citizens who have been granted blanket immunity from taxes. It breeds political irresponsibility.

— Talbot Brewer

One will hardly believe that in order to become noble it is sufficient to become rich; and to cease to pay taxes it is sufficient to become noble. So there is only one way of escaping taxation and that is to make a fortune.

— Pierre Samuel du Pont de Nemours

12 Years I am a Worker
I'm Not a Criminal
I Pay Income Taxes

— Sign on hat of Columbian immigrant
at political rally

The fundamental class division in any society is not between rich and poor, or between farmers and city dwellers, but between taxpayers and tax consumers.

— David Boaz

Our modern federal government is spending \$4,900 a year on every person in America. The average American household of 2.64 people receives almost \$13,000 worth of federal benefits, services and protection per annum. These people would have to have a family income of \$53,700 to pay as much in taxes as they get in goodies. Only 18.5 percent of the population has that kind of money. And only 4.8 percent of the population — 12,228,000 people — file income tax returns showing more than \$50,000 in adjusted gross income. Ninety-five percent of Americans are on the mooch.

— P.J. O'Rourke

It is not too much to hope that some day we may get back on a tax basis of 10 percent, the old Hebrew tithe, which was always considered a fairly heavy tax.

— Andrew Mellon

A 10 percent flat tax should be our goal. After all, back in Bible times, the people of Israel paid a "tithe" — that is, a 10 percent flat tax — to God. If God Himself only demands a tithe, who does Uncle Sam think he is, demanding more?

— Michael Reagan

If there is any truth to the biblical account of Solomon's wealth, it seems obvious that he overspent and overtaxed — breaking the most elementary rule in the book of political leadership. So why doesn't the Bible remember him as a fool rather than the wisest of kings? Whence this great, and apparently ancient, reputation for wisdom?

— James L. Kugel

I believe in a graduated income tax on big fortunes, and . . . a graduated inheritance tax on big fortunes, properly safeguarded against evasion and increasing rapidly in amount with the size of the estate.

— Theodore Roosevelt

Dynastic wealth, the enemy of a meritocracy, is on the rise. Equality of opportunity has been on the decline. A progressive and meaningful estate tax is needed to curb the movement of a democracy toward a plutocracy.

— Warren Buffett

The case for drastic progression in taxation must be rested on the case against inequality — on the ethical or aesthetic judgment that the prevailing distribution of wealth and income reveals a degree (and/or kind) of inequality which is distinctly evil or unlovely.

— Henry C. Simons

When people ask, “Why should the rich pay a larger percent of their income than middle-income people?” — my answer is not an answer most people get: It’s because their power developed from laws that enriched them.

— Ralph Nader

If there is a principle that unites the left side of the political spectrum, it is a belief that an energetic government can effectively use progressive taxation to insure the poor, the unlucky and the elderly against undue hardship.

— E.J. Dionne Jr.

As you have been enabled to accumulate this wealth by the blessings of free institutions, contribute something to perpetuate them.

— Benton McMillin

The purpose of the income tax law is to prevent the accumulation of enormous fortunes, and the control of industry and commerce that goes with such large fortunes.

— Fiorello H. La Guardia

The purpose of the estate tax is not primarily to raise revenue
The purpose of the estate tax is to reduce wealth inequality.

— Martin J. McMahon Jr.

[States progressing towards the ideals of the *Communist Manifesto* will enact] a heavy progressive income tax.

— Karl Marx and Friedrich Engels

The only effective design for diminishing the income inequality inherent in capitalism is the progressive income tax.

— John Kenneth Galbraith

Not only is the revenue derived from the high rates levied on large incomes, particularly in the highest brackets, so small compared with the total revenue as to make hardly any difference to the burden borne by the rest; but for a long time . . . it was not the poorest who benefited from it but entirely the better-off working class and the lower strata of the middle class who provided the largest number of voters.

— Friedrich A. Hayek

Economic theory does not provide an answer as to how the tax burden should be distributed among people with unequal incomes. While few would argue that the tax system should be regressive, the degree to which it should be progressive involves subjective value judgments.

— David L. Brumbaugh, Gregg A. Esenwein, and Jane G. Gravelle

Here is my principle: Taxes shall be levied according to ability to pay. That is the only American principle.

— Franklin D. Roosevelt

In a country of great industries like this, it ought to be easy to distribute the burdens of taxation without making them anywhere bear too heavily or too exclusively upon any one set of persons or undertakings. What is clear is that the industry of this generation should pay the bills of this generation.

— Woodrow Wilson

I have never viewed taxations as a means of rewarding one class of taxpayers or punishing another. If such a point of view ever controls our public policy, the traditions of freedom, justice and equality of opportunity, which are distinguishing characteristics of our American civilization, will have disappeared.

— Andrew Mellon

A basic and common-sense rule of tax policy is that we ought to have the same rate of tax apply across different occupations or investments. The relative profitability of different professions, or investments, ought to be dictated by the market, not the tax law.

— Joseph Bankman

The subjects of every state ought to contribute toward the support of government, as nearly as possible, in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the state.

— Adam Smith

[T]he old saw “freedom isn’t free” applies at least as much to paying taxes as it does to the other ways in which we protect and defend our liberties.

— E.J. Dionne Jr.

Those who say that the poorer the people, the larger the families — the heavier the taxation placed upon them, the greater their effort to pay it blaspheme — against the human race. They ought to experience the bitter destitution to which they condemn their fellow citizen in order to determine how false and atrocious is their attitude.

— Désiré Joseph Mercier

[I favor] a progressive tax . . . to put it out of the power of the owner of one of these enormous fortunes to hand on more than a certain amount to any one individual.

— Theodore Roosevelt

Taxes should be proportioned to what may be annually spared by the individual.

— Thomas Jefferson

Most of the people in the upper income brackets are not rich and do not have wealth sheltered offshore. They are typically working people who have finally reached their peak earning years after many years of far more modest incomes — and now see much of what they have worked for siphoned off by politicians, to the accompaniment of lofty rhetoric.

— Thomas Sowell

I do not believe that the government should ask social legislation in the guise of taxation. If we are to adopt socialism, it should be presented to the people of this country as socialism and not under the guise of a law to collect revenue.

— Calvin Coolidge

Taxes are necessary. But the system of discriminatory taxation universally accepted under the misleading name of progressive taxation of income and inheritance is not a mode of taxation. It is rather a mode of disguised expropriation of the successful capitalists and entrepreneurs.

— Ludwig von Mises

The taxing power of government must be used to provide revenues for legitimate government purposes. It must not be used to regulate the economy or bring about social change. We've tried that, and surely we must be able to see it doesn't work.

— Ronald Reagan

Because the largest share of federal income taxes is paid by the highest earners, lower-earning households bear a much smaller share of the overall income tax burden, thereby creating progressivity in the federal income tax system. However, it also means that federal revenues devoted to general government operations are particularly sensitive to changes in the income of the top earners.

— Joint Economic Committee

It will be a sad day for the revenues if the goodwill of the people toward their taxing system is frittered away in efforts to accomplish by taxation moral reforms that cannot be accomplished by direct legislation.

— Robert H. Jackson

As long as most Americans accept the moral premise that the needs of some are a moral claim on the lives and property of others, taxation won't drop in any significant way. Taxes will be slashed only when Americans openly reject this premise and stand for the opposite proposition: that an individual's income is 100% his private property, not to be taxed and redistributed to other people.

— David Holberg

Faced with a requirement to select a tax structure, an individual might choose a proportionate rate structure simply because no other rate structure comes immediately to mind. It is as if, in choosing a tax structure, the polity were a lost traveller faced with a selection of equally well-trodden paths. Lacking any convincing rationale to turn right or left, the traveler continues on the path that leads straight ahead. Perhaps we can do no better than the lost traveler and are condemned to raise and redistribute a substantial portion of the world's wealth on a formula selected through intuition. But before resigning ourselves to that fate, it would be worthwhile to examine theories of distributive justice that might shape the tax structure.

— Joseph Bankman and Thomas Griffith

A flat tax is a bad idea whose time has not come.

— Lawrence Summers

If everybody pays at a common rate, it will be harder to expand government and raise the rate, because a larger fraction of potential voters will have a stake in limiting the spending. The more progressive the tax system becomes and the more concentrated among the few taxes become, the easier it is to expand government at the expense of a minority paying the bulk of costs.

— Michael J. Boskin

I was working on a flat tax proposal and I accidentally proved there's no God.

— Homer Simpson
(of *The Simpsons* television cartoon show)

We can't afford a fair tax system, so we go with an unfair one.

— Gerry Padwe

There is no simple tax, at least no simple tax that is also fair.

— Joel Slemrod

The expense of government to the individuals of a great nation is like the expense of management to the joint tenants of a great estate, who are all obliged to contribute in proportion to their respective interests in the estate. In the observation or neglect of this maxim consists what is called the equality or inequality of taxation.

— Adam Smith

Imagine a banquet attended by 100 random Americans. If the bill for the meal is distributed like the income tax, the richest person in the room is required to pay one-third of the tab — or more than all 50 attendees with a below-average income. The three richest people are charged as much as the other 97. And the 30 or so lowest-income people in the room . . . pay nothing and eat for free.

— *The Wall Street Journal*

I do not propose either to purchase or to confiscate private property in land. The first would be unjust; the second, needless. Let the individuals who now hold it still retain, if they want to, possession of what they are pleased to call their land. Let them continue to call it their land. Let them buy and sell, and bequeath and devise it. We may safely leave them the shell, if we take the kernel. It is not necessary to confiscate land; only to confiscate rent.

We already take some rent in taxation. We have only to make some changes in our modes of taxation to take it all.

— Henry George

[The property tax] puts a premium on dishonesty and debauches the public conscience. It reduces deception to a system and makes a science of knavery. It presses hardest on those least able to pay. It imposes double taxation on one man and grants entire immunity to the next. In short, the general property tax is so flagrantly inequitable that its retention can be explained only through ignorance or inertia. It is the cause of such crying injustice that its abolition must become the battle cry of every statesman and reformer.

— Edwin R.A. Seligman

Those who pay [the federal income tax] are the exception, those who do not pay are millions; and the whole moral force of the law is a dead letter. The honest man makes a true return; the dishonest hides and covers all he can to avoid this obnoxious tax. It has no moral force. This tax is unequal, perjury-provoking, and crime encouraging, because it is at war with the right of a person to keep private and regulate his business affairs and financial matters. Deception, fraud, and falsehood mark its progress everywhere in the process of collection. It creates curiosity, jealousy, and prejudice among the people. It makes the tax gatherer a spy.

— Dennis McCarthy

There are two methods . . . whereby man's needs and desires can be satisfied. The production and exchange of wealth: economic means . . . and the uncompensated appropriation of wealth produced by others: political means.

— Albert Jay Nock

To tax the community for the advantage of a class is not protection: it is plunder.

— Benjamin Disraeli

In a system of taxation based on justice and equity it is fundamental that the burdens be proportioned to the capacity of the people contributing But the common good also requires the public authorities, in assessing the amount of tax payable, take cognizance of the peculiar difficulties of farmers.

— Pope John XXIII

A good prince will tax as lightly as possible those commodities which are used by the poorest members of our society; e.g., grain, bread, beer, wine, clothing, and all other staples without which human life could not exist.

— Desiderius Erasmus

We cannot lose sight of the fact that complexity is the result of our struggle for fairness.

— Margaret Milner Richardson

The wisdom of man never yet contrived a system of taxation that operates with perfect equality.

— Andrew Jackson

Even tax administration does not as a matter of principle preclude considerations of fairness.

— Felix Frankfurter

How could we, in a free society of a bunch of Christians, have the worst, most unjust tax structure that you could ever have dreamed up?

— Susan Pace Hamill

The task of devising means for distributing the burdens of taxation equitably has always challenged the wisdom of the wisest financial statesmen.

— Stanley F. Reed

Give women the vote, and in five years there will be a crushing tax on bachelors.

— George Bernard Shaw

Bachelors should be heavily taxed. It is not fair that some men should be happier than others.

— Oscar Wilde

The Emperor Caesar Augustus taxed bachelors as part of his population policy Bachelor taxes also existed in some of the U.S. Northwest Territories in the 19th century, and in many of the former satellite countries, all in view of declining populations. The Third Reich attempted to achieve a similar result in a kinder, gentler fashion.

— Joel S. Newman

He who only has the base necessities of life should pay nothing; taxation on him who has a surplus may, if need be, extend to everything beyond necessities. He may urge that on account of his rank what is superfluous for a man in a lower position is necessary for him, but that is untrue, for a nobleman has only two legs like a cowman, and each has only one belly.

— Jean Jacques Rousseau

[I]f I'm a moderate income person and I pay \$2,000 in tax and get \$10,000 in benefits versus I pay nothing in tax and get \$8,000 in benefits, I'm getting the same amount of redistribution from that society.

— Gene Steuerle

If we enjoyed the freedom of the framers it is possible that we might, in the light of experience, devise a more equitable system of taxation than that which they gave us.

— Harlan F. Stone

Revenue laws are notoriously not expressions of an ordered system of reason and fairness. There has probably never been a revenue statute which, by design or oversight, has not favored some groups and laid the basis for a claim of unfairness to others similarly situated.

— Felix Frankfurter

Do we imagine that our assessments operate equally? Nothing can be more contrary to the fact. Wherever a discretionary power is lodged in any set of men over the property of their neighbors, they will abuse it.

— Alexander Hamilton

When the same man, or set of men, holds the sword and the purse, there is an end of liberty.

— George Mason

Nothing is more familiar in taxation than the imposition of a tax upon a class or upon individuals who enjoy no direct benefit from its expenditure, and who are not responsible for the condition to be remedied.

— Harlan F. Stone

Uniform taxation upon those equally able to bear their fair shares of the burdens of government is the objective of every just government.

— Hugo L. Black

By squeezing the destitute of their bare subsistence the state deprives them of all strength. Of the poor man it makes a beggar, of the workman an idler, of an unfortunate a rogue, and thus leads through starvation to the gallows.

— Guillaume Thomas Francois Raynal

Those who are wealthier should consider their higher tax bracket as part of their Biblical obligation to tend to the “widow and the orphan.”

— Iowa Catholic Conference

Perfect equality and perfect uniformity of taxation as regards individuals or corporations, or the different classes of property subject to taxation, is a dream unrealized. It may be admitted that the system which most nearly attains this is the best.

— Samuel F. Miller

There is . . . no constitutional guaranty of equality of taxation.

— Harlan F. Stone

Equity is the privilege of paying as little as somebody else.

— Louis Eisenstein

It is fair that each man shall pay taxes in exact proportion to the value of his property; but if we should wait before collecting a tax to adjust the taxes upon each man in exact proportion with every other man, we should never collect any tax at all.

— Abraham Lincoln

Any reasonable system of taxation would be based on the slogan “Soak the Rich.”

— Heywood Broun

The income tax is nothing more than another tool of redistributing wealth during life; the estate tax is nothing more than a tool for redistributing wealth after death. They are both taxes of envy.

— Christopher W. Hesse

History shows that tax hikes bring in far less revenues than expected. It's easy to see why: Raising taxes on those with lots of wealth shrinks the amount of capital available for investment, which means fewer new jobs, slower growth in incomes and lower overall productivity. Hardly a policy for prosperity. This is envy, pure and simple, and a tax policy based on envy is the worst kind. It sets neighbor against neighbor and downplays the contributions of skill and entrepreneurial gusto that those we derisively call the rich bring to our economy. In economics, as in most religions, envy is among the deadliest of sins.

— *Investor's Business Daily*

Suppose a star has reached the peak and can get \$150,000 for his services in a picture. If he makes two pictures a year the Federal Government charges him \$164,000 for being so snooty, to which the State of California adds a moderate tax of \$36,000, for the use of its valuable climate. The net result is that each year, the star is allowed to work four months for himself on condition that he work eight months, free of charge, for the people. Under these circumstances, one might think that the Government would have nothing but encouraging smiles for these public benefactors. On the contrary, it matters deeply that such incomes are indecent and that people who have the ability to pay such heavy taxes should be reduced to the more democratic condition of inability to pay.

— William C. De Mille

Mathematical equality . . . cannot be reached in any system of taxation, and it is useless and idle to attempt it.

— Rufus W. Peckham

Let us not make the income tax so high that the man whose money we want to use in business prefers not to take the risk.

— Wendell L. Willkie

A highly progressive income tax structure tends to discourage investment in human capital because it reduces take-home pay and the reward to highly skilled, highly paid occupations.

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

All taxes upon the transference of property of every kind, so far as they diminish the capital value of that property, tend to diminish the funds destined for the maintenance of productive labor.

— Adam Smith

Don't soak the rich, soak the poor. There's more of them.

— Eric Wright

A sound tax policy must lessen, so far as possible, the burden of taxation, on those least able to bear it; and it must also remove those influences which might retard the continued steady development of business and industry on which, in the last analysis, so much of our prosperity depends.

— Andrew Mellon

Most Americans see the corporate income tax as a way that corporations bear the cost of government services. However, corporations treat the tax as a cost of business, which is passed on to consumers in the form of higher prices, to workers in the form of lower wages, and to shareholders in the form of lower dividends.

In other words: Corporations don't pay taxes, people pay taxes.

— Bryan Taylor

I don't think we should be embarrassed that a large corporation pays nothing in tax. I've never seen a corporation enjoy a good meal. I've never seen a corporation go on vacation.

— Andrew Lyon

Democrats object to cutting the U.S. 35% corporate tax rate — which is higher than in all of Europe, undermines economic growth and discourages job creation — for all companies on grounds that it favors the rich and powerful. But Democrats will carve out tax loopholes for businesses they like and that write them campaign checks.

— *The Wall Street Journal*

Corporations don't pay taxes, they collect them.

— Paul H. O'Neill

The real friends of property are not those who would exempt the wealth of the country from bearing its fair share of the burdens of taxation, but rather those who seek to have every one, without reference to his locality, contribute from his substance, upon terms of equality with all others, to the support of the government.

— John Marshall Harlan

Eccentricities of incidence are common, and perhaps inevitable, in every system of taxation.

— Benjamin N. Cardozo

Those who are subject to be taxed cannot complain that they are denied the equal protection of the law because those who cannot legally be taxed are not taxed.

— Joseph McKenna

Protection and taxation are not necessarily correlative obligations, nor precise equality of burden attainable, however desirable.

— Horace H. Lurton

Systems of taxation are not framed, nor is it possible to frame them, with perfect distribution of benefit and burden. Their authors must be satisfied with a rough and ready form of justice.

— Benjamin N. Cardozo

It is fairer to tax people on what they extract from the economy, as roughly measured by their consumption, than to tax them on what they produce for the economy, as roughly measured by their income.

— Thomas Hobbes

It is a signal advantage of taxes on articles of consumption that they contain in their own nature a security against excess.

— Alexander Hamilton

All taxes upon the articles of consumption, because of the power that must necessarily be vested in the officers who collect them, will in the end destroy the liberty of any people that permits them to be introduced.

— Albert Gallatin

It may be true that plaintiff does not receive the same amount of benefit from some of these taxes, or from any of them, as do citizens living in the heart of the City But who can undertake to adjust with precise accuracy the amount which each individual in an organized civil community shall contribute to sustain the organization?

— Samuel F. Miller

One might as well compare the federal income tax of a banker whose net earnings are in the millions with that of a thousand clerks who by reason of exemptions are to pay no tax whatever. The comparison proves nothing unless it be the obvious fact that taxpayers are few when the count is at the highest level.

— Benjamin N. Cardozo

Taxes generally are imposed upon persons for the general advantages of living within the jurisdiction, not upon property, although generally measured more or less by reference to the riches of the person taxed.

— Oliver Wendell Holmes Jr.

The state is not called upon to explain the reasons for taxing the members of the one class more heavily than it does the members of the other.

— Benjamin N. Cardozo

Wealth has long been accepted as a fair measure of a tax assessment.

— Stanley F. Reed

Of all burdens imposed upon mankind that of grinding taxation is the most cruel.

— Ward Hunt

Justice requires that the burdens of government shall as far as is practicable be laid equally on all; and if property is taxed once in one way, it would ordinarily be wrong to tax it again in another way, when the burden of both taxes falls on the same person.

— Morrison Waite

I am in favor of an income tax. When I find a man who is not willing to bear his share of the burdens of the government which protects him, I find a man who is unworthy to enjoy the blessings of a government like ours.

— William Jennings Bryan

Income tax, intrinsically the most just of all taxes.

— Justin S. Morrill

[T]he wit of man never devised a fairer or juster tax than a graduated income tax.

— Champ Clark

The income tax is a just law. It simply intends to put the burdens of government justly upon the backs of the people.

— William Jennings Bryan

There is no tax which, in its essence, is more just and equitable than an income tax.

— John Marshall Harlan

Where there is an income tax, the just man will pay more and the unjust less on the same income.

— Plato

[Americans should] pull the income tax out by its roots and throw it away so it can never grow back.

— Bill Archer

I believe [the income tax] is the most easily concealed of any tax that can be laid, the most difficult of enforcement, and the hardest to collect [I]t is, in a word, a tax upon the income of honest men and an exemption, to a greater or lesser extent, of the income of rascals.

— Sereno Payne

Simply stated, the income tax was a necessary condition for the creation of the welfare state and the resulting social pathologies. The income tax also is the most economically destructive way politicians have ever developed for financing government.

— Daniel J. Mitchell

We do not believe there is a tax levied by the Government so onerous upon so large a class of people as the Income Tax.

— *New York Daily Tribune*

In every civilized country there is an exemption of small incomes which it would be manifest cruelty to tax.

— Henry B. Brown

I'm convinced that, if you use income as the base of taxation, you have inherent in the system a magnet that draws all kinds of complexities. That's what I think we've learned from history — that you cannot keep a simple income tax.

— Bill Archer

A fair tax system should consistently tax spending, not work or savings, and should use progressive rates to meet whatever liberal or redistributive objectives it has.

— Edward J. McCaffery

It has long troubled me, however, that even when a consumption tax is mentioned by an economist or a politician, there is never expressed the fundamental reason why such a tax is the fairest kind of tax: that it taxes the use — and hence the inability of anyone else to use — the resources of the earth, which once belonged to no one, or to all mankind, or (arguably) to all creatures.

— Edgar C. Keller

If middle-class Americans had any realistic sense of how rich the rich really are, policy moves that cater specifically to the wealthy — like the repeal of the inheritance tax — would face a much rougher ride.

— Paul Krugman

The wise and correct course to follow in taxation and all other economic legislation is not to destroy those who have already secured success but to create conditions under which every one will have a better chance to be more successful.

— Calvin Coolidge

Where there's a will, there's an inheritance tax.

— Anonymous

The taking of possession of inherited property is one of the most ancient subjects of taxation known to the law.

— Harlan F. Stone

Death is the most convenient time to tax rich people.

— David Lloyd George

It is not fair to tax the same earnings twice — once when you earn them and again when you die — so we must repeal the death tax.

— George W. Bush

Taxing people after they die just doesn't seem fair.

— Bob Schaffer

Those who support the death tax generally do so not for economic reasons but for political ones. They want to make the tax code "fair" by taxing away the lifetime wealth of others.

— William Beach

Naturally our tax system is not neutral to social values. Look at the values that are penalized when a government imposes a death tax: Thrift. Conservation. Entrepreneurship. Ingenuity. Family businesses. Family farms. Families.

— Jennifer Dunn

[The estate tax] has its roots in socialism.

— Richard C. Shelby

I'd like somebody to get rid of the death tax. That's what I want. I don't want to get taxed just because I died. I just don't think it's right. If I give something to my kid, I already paid the tax. Why should I have to pay it again because I died?

— Whoopi Goldberg

Indeed, it is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of the state, and by all means such taxes should be graduated, beginning at nothing upon moderate sums to dependents, and increasing rapidly as the amounts swell Nor need it be feared that this policy would sap the root of enterprise and render men less anxious to accumulate, for to the class whose ambition it is to leave great fortunes and be talked about after their death, it will attract more attention, and, indeed, be a somewhat nobler ambition to have enormous sums paid over to the state from their fortunes.

— Andrew Carnegie

The estate tax raises very little, if any, net revenue for the federal government. The distortionary effects of the estate tax result in losses under the income tax that are roughly the same size as estate tax revenue.

— Joint Economic Committee

[T]he prime objective [of estate taxation] should be to put a constantly increasing burden on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate.

— Theodore Roosevelt

In short, the estate and gift taxes in the United States have failed to achieve their intended purposes. They raise little revenue. They impose large excess burdens. They are unfair.

— Henry Aaron and Alicia Munnell

[Anti-estate tax slogan:] No taxation without respiration.

— Bob Schaffer

[Estate taxes are not really taxes but] penalties imposed on those who neglect to plan ahead or who retain unskilled estate planners.

— Henry Aaron and Alicia Munnell

... Americans like “sin” taxes, such as those on cigarettes and alcohol. But the estate tax is the opposite case: it is an anti-sin, or a virtue, tax. It is a tax on intergenerational altruism, on thrift.

— Edward J. McCaffery

Spend your money on riotous living — no tax. Leave your money to your children — the tax collector gets paid first The basic argument against the estate tax is moral. It taxes virtue — living frugally and accumulating wealth. It discourages saving and asset accumulation and encourages wasteful spending.

— Milton Friedman

A well-timed death is the acme of good tax planning, better even than a well-timed marriage.

— Donald C. Alexander

Succession duties first of all possess the grave economic fault of tending to fall on capital or accumulated wealth rather than on income; they therefore may retard progress.

— C.F. Bastable

[T]he history of modern taxation is the history of . . . class antagonisms.

— Edwin R.A. Seligman

Opinions about death taxes vary greatly in a society relying on private incentives for economic growth. Some believe that these taxes hurt economic incentives, reduce saving, and undermine the economic system. But even they would concede that death taxes have less adverse effects on incentives than do income taxes of equal yield. Income taxes reduce the return from effort and risk taking as income is earned, whereas death taxes are paid only after a lifetime of work and accumulation and are likely to be given less weight by individuals in their work, saving, and investment decisions.

— Joseph Pechman

The relevant question is whether the inheritance tax is more or less harmful than the other taxes that have to be levied to pay for what our government spends. Are inheritance taxes worse than higher income taxes that discourage work and innovation? Are they worse than higher property taxes that discourage the accumulation of wealth? Are they worse than higher corporate profits taxes that discourage issuing equity and shift business offshore? Clearly not.

— Hendrick Van den Berg

The policy behind estate tax legislation . . . is the diversion to the purposes of the community of a portion of the total current of wealth released by death.

— Felix Frankfurter

The idea that some people would pay half of their estate, after some substantial exemptions, to the federal government seems to me entirely appropriate.

— William Gates Sr.

The growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion Of all forms of taxation, this seems the wisest.

— Andrew Carnegie

If rich people care about their kids, they should spend money on them while they're alive, not wait till they're in their graves before family values kick in. Better still, tell the kids to work for a living and give money to people who really need it, in donations to charity. Thus truly compassionate conservatives should have little truck with efforts to abolish the death tax. Conservatism should be about rewarding work, not inheritance, and encouraging success, not genetic dumb luck.

— Andrew Sullivan

Leo: They [the Republicans] have the votes for repeal [of the estate tax]? . . . Where are they getting them? . . . Where are the other 7 votes against us?

Josh: That's the thing.

Toby: It's from inside the Black Caucus. That's where the 7 votes are

. . . .

Josh: These are members of the Congressional Black Caucus Can you think of any reason why they'd oppose the estate tax?

Leo: Sure.

Josh: What?

Leo: The first generation of black millionaires is about to die.

— Scene from *The West Wing* television series

The estate tax helps keep America more of a democracy than a veiled plutocracy. Meritocracy and the estate tax go hand in hand.

— Daniel J. Kornstein

Although we can't know all the diverse motivations people have for giving, the estate tax is certainly an inducement for high-net-worth families to extend their generosity.

— William Gates Sr. and Chuck Collins

I am sure I give away more because it is deductible than if it was not, because I am sharing it with Uncle Sam. Instead of a congressman telling me where my dollars are going to go, I am telling them where their dollars can go.

— Anonymous Millionaire

I would be dishonest if I claimed that this consideration [the estate-tax deduction] had nothing to do with my decision [to donate to charity] Abolishing the estate tax would remove one of the main incentives for charitable giving.

— George Soros

The estate tax exerts a powerful and positive effect on charitable giving. Repeal would have a devastating impact on public charities.

— William Gates Sr.

I never can pass by the Metropolitan Museum of Art in New York without thinking of it not as a gallery of living portraits but as a cemetery of tax-deductible wealth.

— Lewis H. Lapham

The losses in federal and state revenues from charitable deductions far exceed donor transfers to the needy. Redistribution has been demonstrated to be far better achieved through government appropriations than through tax remission or deduction measures.

— Julian Wolpert

I don't see why a man shouldn't pay an inheritance tax. If a country is good enough to pay taxes to while you are living, it's good enough to pay in after you die. By the time you die you should be so used to paying taxes, that it would be almost second nature to you.

— Will Rogers

[I]f we must tax, it is better to tax him who merely receives than him who earns.

— Edwin R.A. Seligman

But why should the frugal and thrifty among the rich be taxed heavily on their deathbeds, while the spendthrifts who live luxuriously are not?

— Edward J. McCaffery

Since the accumulation of a substantial estate is one of the motivations that drive people to work hard, a death tax on saving is indirectly a tax on work.

— Richard A. Posner

[The estate tax is] an act of economic waste which is damaging to all.

— Joseph Schumpeter

[Slogan on button:] "Death taxes steal from America's family-owned businesses."

— Food Distributors International

The notion that a man's personal property upon his death may be regarded as a universitas and taxed as such, even if qualified, still is recognized both here and in England.

— Oliver Wendell Holmes Jr.

[O]f 60 major nations around the world, only two have higher death tax rates than the U.S. and 24 have no inheritance tax at all . . . America is about the most expensive place to die on the planet.

— *The Wall Street Journal*

While we object to the power of making laws being transferred from father to son by inheritance, we do permit the acquisition by inheritance of a financial power which confers the right to legislate for industry, commerce, finance, and to shape the life of the country. As a matter of public policy, and not only as a source of revenue for the support of the government, the tax on inheritance should be increased.

— Meyer London

Huge estates are precisely those that should be taxed most heavily, because the larger the estate, the more likely it is to be made up of investment gains that were never taxed during the owner's lifetime.

— *The New York Times*

I've always been impressed by the attention paid to the dead. The Democrats make sure they get to vote. The Republicans give them a tax cut.

— Bob Somerby

By taxing estates heavily at death the state marks its condemnation of the selfish millionaire's unworthy life.

— Andrew Carnegie

If breaking up large concentrations of wealth is the intention of the death tax, then it is a miserable failure.

— Edward J. McCaffery

Many of the people who favor repealing the estate tax undoubtedly do so because they mistakenly believe that they are subject to it.

— Marjorie E. Kornhauser

Sometimes we hear an argument that the children of the wealthy are more worthy than the other possible beneficiary of wealth — the government. Rarely is there any explanation of that rationale.

— Charles Davenport

General taxation to maintain public schools is an appropriation of property to a use in which the taxpayer may have no private interest, and, it may be, against his will. It has been condemned by theorists on that ground. Yet no one denies its constitutionality. People are accustomed to it and yet accept it without doubt.

— Oliver Wendell Holmes Jr.

Countries, therefore, when lawmaking falls exclusively to the lot of the poor cannot hope for much economy in public expenditure; expenses will always be considerable, either because taxes cannot touch those who vote for them or because they are assessed in a way to prevent that.

— Alexis de Tocqueville

Capital gains income is often discussed as if it were somehow different from other forms of income. Yet, for purposes of income taxation, it is essentially no different from any other form of income from capital.

— Gregg A. Eesenwein

In time of this grave national danger, when all excess income should go to win the war, no American citizen ought to have a net income, after he has paid his taxes, of more than \$25,000 a year.

— Franklin D. Roosevelt

A woman's income chargeable to income tax shall . . . (for any year) during which she is a married woman living with her husband be deemed for income tax purposes to be his income and not to be her income.

— UK Income and Corporation Taxes Act,
1970, section 37

Once a woman is married, the tax laws really don't want her to work.
— Virginia Postrel

A tax against the depositors which is recoverable only from the bank
looks like a tax against the bank.
— John Marshall Harlan