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REMARKS BY SENATOR HUBERT H. HUMPHREY

TAX DAY STATEMENT

PHILADELPHIA, PA.

APRIL 17, 1972

TODAY IS TAX DAY FOR THE AMERICAN PEOPLE.

IT IS A DAY WHEN TOO FEW PAY FAR TOO LESS AT THE  
EXPENSE OF TOO MANY.

IT'S THE DAY WHEN FOR THE FIRST TIME PENNSYLVANIANS  
MUST PAY A STATE INCOME TAX.

AND, SOME INDIVIDUALS -- AND SOME CORPORATIONS -- WON'T  
BE PAYING THEIR FAIR SHARE OF TAXES TODAY.

EVERY AMERICAN HOMEOWNER, EVERY AMERICAN WORKING FAMILY,  
EVERY SALARIED EMPLOYEE KNOWS THAT THE AMERICAN TAX SYSTEM  
MUST BE REFORMED.

THE SPECIAL PRIVILEGES THAT PERVADE OUR TAX SYSTEM MUST  
BE ELIMINATED.

I PLEDGE TO THE AMERICAN PEOPLE THAT DURING THE FIRST 100 DAYS OF A HUMPHREY ADMINISTRATION, I WILL SEND THE CONGRESS A COMPLETE AND FAIR, TOP TO BOTTOM OVERHAUL OF OUR TAX SYSTEM.

THIS OVERHAUL OF OUR TAX SYSTEM WOULD:

1. DRASTICALLY SIMPLIFY TAX FORMS TO ELIMINATE THE CONFUSION, FRUSTRATION AND EXPENSE EXPERIENCED BY TAXPAYERS WITH THE PRESENT COMPLICATED AND CUMBERSOME FORMS.
2. CLOSE UNFAIR TAX LOOPHOLES AND REMOVE OTHER INEQUITIES SUCH AS OVERWITHHOLDING AND DIFFERENTIAL TAX RATES SO THAT THE TAX STRUCTURE CAN BE RESTORED TO THE PROGRESSIVE SYSTEM IT WAS MEANT TO BE.

3. PROVIDE FOR SUBSTANTIAL PROPERTY TAX REDUCTIONS WITH THE ADDITION OF A NEW VALUE-ADDED TAX WHICH IS MERELY A FANCY NAME FOR A GIANT-SIZED NATIONAL SALES TAX.

4. THOROUGHLY INTEGRATE AND SIMPLIFY OUR LOCAL, STATE, AND FEDERAL TAX SYSTEMS IN ORDER TO MORE EQUALLY DISTRIBUTE THE BURDEN AND REDUCE THE SUMS OF MONEY NEEDED TO COLLECT TAXES.

I AM NOT PROPOSING "ANOTHER STUDY."

I AM PLEDGING THE RESOURCES OF A NEW ADMINISTRATION TO A PROGRAM OF ACTION.

I WILL INSIST THAT THE TREASURY DEPARTMENT EXAMINE  
OUR ENTIRE TAX STRUCTURE -- STATE INCOME AND SALES TAXES,  
LOCAL WAGE TAXES, EXCISE TAXES, CORPORATE TAXES, PAYROLL  
TAXES, AND PROPERTY TAXES AND OTHER LEVIES -- TO MAKE CERTAIN  
THAT THE TAX BURDEN IS SHARED FAIRLY AND THAT TAXPAYERS  
RECEIVE A DOLLAR'S WORTH OF SERVICES FOR EVERY DOLLAR COLLECTED.

TODAY WE LACK TAX JUSTICE IN AMERICA.

--43 PERCENT OF ALL CORPORATIONS DID NOT PAY FEDERAL  
INCOME TAX LAST YEAR.

--U.S. STEEL PAID 4 TIMES AS MUCH INCOME TAX TO VENEZUELA  
THAT IT DID TO THE UNITED STATES.

--IN 1969 AND 1970, OVER 300 AMERICANS MAKING BETTER THAN \$200,000 PAID NO INCOME TAX AT ALL.

PUT SIMPLY, TAX LOOPHOLES FOR THE SUPERRICH AND GIANT CORPORATIONS MEAN AMERICAN FAMILIES HAVE TO FOOT THE BILL IN MORE FEDERAL INCOME TAX, MORE STATE INCOME TAX, MORE SALES TAX, AND MORE PROPERTY TAX.

WE CAN START TO REFORM OUR TAX SYSTEM IMMEDIATELY.

THE TAX REFORM ACT OF 1972, LEGISLATION I RECENTLY JOINED IN SPONSORING, IS THE BEGINNING OF AN ACTION PROGRAM.

THIS LEGISLATION WOULD PLUG \$16 BILLION IN LOOPHOLES FOR THE SUPERRICH, THE OIL COMPANIES, AND GIANT CORPORATIONS.

IT IS SPECIFIC, IT IS REALISTIC, IT IS NECESSARY,  
NOW, MORE THAN EVER BEFORE, PENNSYLVANIANS NEED TAX  
RELIEF. WITH A NEW STATE INCOME TAX, A 6 PERCENT SALES  
TAX, LOCAL WAGE TAXES -- ALL ON TOP OF A PROPERTY TAX --  
THE TIME FOR A TAX BREAK IS OVERDUE.

THAT'S WHY I HAVE PROPOSED TO USE THE \$16 BILLION  
FROM CLOSING LOOPHOLES TO REDUCE PROPERTY TAXES. UNDER  
MY PLAN, \$917 MILLION OF THIS MONEY WOULD COME DIRECTLY TO  
PENNSYLVANIA PROPERTY TAXPAYERS TO REDUCE THOSE TAXES BY  
AT LEAST ONE-THIRD.

AND, THAT'S WHY I'VE PLEDGED TO YOU A COMPLETE TAX  
OVERHAUL AS THE FIRST PRIORITY OF MY ADMINISTRATION.

THIS BADLY NEEDED TAX REFORM WOULD BE THE CULMINATION  
OF A LIFETIME EFFORT I HAVE SPENT FIGHTING FOR TAX FAIRNESS.

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Today is tax day for the American people.

It is a day when too few pay far too less at the expense of too many.

It's the day when for the first time Pennsylvanians must pay a state income tax.

And, some individuals -- and some corporations -- won't be paying their fair share of taxes today.

Every American homeowner, every American working family, every salaried employee knows that <sup>the American</sup> tax system must be reformed.

The special privileges that pervade our tax system must be eliminated.

I pledge to the American people that during the first 100 days of a Humphrey Administration, I will send the Congress a complete and fair, top to bottom overhaul of our tax system.

This overhaul of our tax system would:

1. Drastically simplify ~~the~~ tax forms to eliminate the confusion, frustration and expense <sup>experienced by</sup> ~~tax payers are forced~~ <sup>tax payers</sup> to ~~experience~~ with the present complicated and cumbersome ~~tax~~ forms.

2. ~~C~~lose unfair tax loopholes and <sup>remove</sup> other inequities such as overwithholding and differential tax rates so that the tax structure can be restored to the progressive system it was meant to be.

3. Provide ~~a mechanism~~ for substantial property tax reductions without <sup>the addition of</sup> a new value-added tax which is <sup>merely</sup> only a <sup>far cry</sup> name for a giant-sized national sales tax.

4. Thoroughly integrate and simplify our local, state, and federal tax systems in order to more equally distribute the burden and reduce the sums of money needed to collect taxes.

I am not proposing "another study".

I am pledging the resources of a new administration to a program of action.

I will insist that the Treasury Department examine our entire tax structure -- state, income and sales taxes, local wage taxes, excise taxes, corporate taxes, payroll taxes, and property taxes <sup>and other levies</sup> -- to make certain that the tax burden is shared fairly <sup>and that</sup> ~~to make certain taxpayers receive a dollar's worth of services for every dollar collected.~~  
 Today ~~that is not the case~~  
 we lack tax justice in America.

--43 percent of all corporations did not pay Federal income tax last year.

--U.S. Steel paid 4 ~~ti~~mes as much income tax to Venezuela than it did to the United States.

--In 1969 and 1970, over 300 Americans making better than \$200,000.00 paid no income tax at all.

Put simply, tax loopholes for the super rich and giant corporations mean ~~you~~ <sup>American families</sup> ~~have to pay~~ <sup>for the bill in</sup> more Federal income tax, more state income tax, more sales tax, and more property tax. <sup>to reform our tax system</sup>  
We can start immediately. <sup>A</sup>

The tax Reform Act of 1972, legislation I recently joined in sponsoring, is the beginning of an action program.

This legislation would <sup>plug</sup> ~~slam~~ the door shut on over \$16 billion dollars <sup>in</sup> ~~of~~ loopholes for the super rich, the oil companies, and giant corporations.

It is specific. It is realistic. It is necessary.

Now, more than ever before, Pennsylvanians need tax relief. With a new state income tax, a 6 percent sales tax, local wage taxes -- all on top of a property tax -- the time for a tax break is overdue.

That's why I have proposed to use the \$16 billion from closing loopholes to reduce property taxes. Under my plan, ~~917~~ <sup>million</sup> of this money would come directly to Pennsylvania property tax <sup>(</sup> payers to reduce those taxes by at least one-third.

And, that's why I've pledged to you a complete tax overhaul as the first priority of my administration.

This badly needed tax reform would be the culmination of a lifetime effort fighting for tax fairness.

*I have spent*  
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