



Americans for Fair Taxation: A summary

Americans for Fair Taxation (AFFT) is a 501(c)4 non-profit, non-partisan organization, headquartered in Houston, Texas. Since it was founded in 1995, AFFT has grown to become the largest grassroots tax reform organization in the United States with members in every state. AFFT advocates the elimination of the current federal income tax code and proposes to replace it with the FairTax, a single-rate, federal retail sales tax collected only once, at the final point of purchase of new goods and services for personal consumption.

The FairTax offers long-needed relief to all Americans by eliminating the income tax and all of its compliance hassles, allowing Americans to keep 100 percent of their paycheck minus any applicable state income taxes. The FairTax is the only tax reform proposal which “untaxes” the poor (no income tax, no Social Security taxes, no hidden taxes, no tax on used goods, no tax on necessities), and allows all employees to keep 100 percent of their paycheck while still funding all existing federal government programs at the current level.

The FairTax will:

- Dramatically increase employment by enhancing the competitiveness of American products
- Dramatically reduce pre-tax prices
- Ensure funding of Social Security and Medicare (thereby easing reform)
- Empower low-to-middle income earners
- Protect those on fixed incomes
- Put full freedom of choice and control back into the hands of every American

AFFT has conducted extensive policy research, as well as commissioned a variety of issue papers on the economic impact of the FairTax on various sectors of industry and individual taxpayers. The late Senator Daniel Patrick Moynihan (D-NY) said the FairTax was “the most thoroughly researched tax reform proposal.”

The following individuals and their respective institutions or universities have been involved in researching the FairTax proposal to determine the impact of the FairTax on the economy, businesses, and individual taxpayers:

Dale Jorgenson, Harvard University
Joseph Kahn, Stanford University
Larry Kotlikoff, Boston University
George Zodrow, Rice University

Jim Poterba, Mass. Institute of Technology
Steve Moore, The Cato Institute
Bill Beach, The Heritage Foundation

David Burton and Dan Mastromarco, The Argus Group

The acceptance of the FairTax as a necessary and viable replacement for the current federal tax system is further evidenced by the formal endorsements of such notable and respected organizations as the Associated General Contractors of America, the American Farm Bureau Federation (and many individual state farm bureaus), and National Small Business Association, National Taxpayers Union, 60 Plus, among many others.