# Taxes

**Pay to all what is due them –**

**taxes to whom taxes are due, revenue to whom revenue is due,**

**respect to whom respect is due, honor to whom honor is due.**

***(Romans 13:7)***

**The top 20 percent of taxpayers – those earning $134,300 or more – account for about 84 percent of all federal income tax revenue. When you include all federal taxes, including those on Social Security and Medicare, the top quintile’s share drops to 67 percent. The top 20 percent earn about 51 percent of total U.S. income. *(The Wall Street Journal, as it appeared in The Week magazine, April 24. 2015)***

**Wife: “What if we owe money on our taxes? Where’s that going to come from?” Husband: “From the tax account I set up last year.” Wife: “I married a financial genius.” Husband: “Thanks, but it’s not hard to impress the woman who thinks a check register is more useful as a datebook.” Wife: “If I run out of money, the bank always tells me.” *(Jan Eliot, in Stone Soup comic strip)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*America had no income tax at all for almost the first hundred years of the nation's history. The first income tax wasn't put into effect until the Civil War, in 1862. The tax didn't last long, because the Supreme Court declared it unconstitutional. The court cited Article I of the Constitution, which said Congress could levy taxes only with regard to the proportion of population in each state. The income tax didn't become permanent until 1913, when the Sixteenth Amendment was passed. That made it legal for the government to collect income tax for the first time in history. (Charles Reichblum, in Knowledge in a Nutshell, p. 123)**

**U.S. taxes are among the lowest in the developed world. As a percentage of GDP, all U.S. taxes – including federal, state, and local – rank 31st, behind those of Germany, Switzerland, and the U.K. *(NewRepublic.com, as it appeared in The Week magazine, April 25, 2014)***

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**There's an annual gap of nearly $300 billion between what all individual taxpayers owe the IRS and what they actually pay. Eighty percent of the shortfall comes from under-reported income, especially from business activities. *(CNNmoney.com, as it appeared in The Week magazine, April 15, 2005)***

**The tax on $4,000 annual income in 1913 was one cent. (L. M. Boyd)**

**For 2017 through 2019, the annual net tax gap – the difference between taxes owed and collected – was $470 billion, according to the IRS. That suggests a decade-long tax gap exceeding $5 trillion, including missing revenue from those who fail to file returns and those who admit owing but don’t pay. *(The Wall Street Journal, as it appeared in The Week magazine, November 11, 2022)***

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**The IRS answered 2.4 million more taxpayer phone calls with live assistance this year through April 7 than in the same period last year. Wait times fell to four minutes, from a sitcom-length 27 minutes a year ago. (The Wall Street Journal, as it appeared in The Week magazine, April 28, 2023)**

**The IRS is now answering nearly 90 percent of calls from taxpayers, up from 13 percent during the 2022 tax season and 11 percent in 2021. Tax officials credit the new funding it received in last year’s Inflation Reduction Act for the improvement. (The Washington Post, as it appeared in The Week magazine, February 24, 2023)**

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**Time was when a householder was taxed for each door in the house, another reason why Victorian homes had no closets. But there wasn’t any tax on furniture doors. And that movable clothes cabinet called an armoire was furniture, says an historical society researcher. *(L. M. Boyd)***

**There’s nothing sinister in so arranging one’s affairs as to keep taxes as low as possible. *(Judge Learned Hand)***

**The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the smallest possible amount of hissing. *(Jean-Baptiste Colbert)***

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**Some key audit flags: The volume of Internal Revenue Service audits has declined in recent years, to just 1 percent of taxpayers earning $200,000 or less, said Jane Hodges in The Wall Street Journal. The biggest component in how the IRS decides whom to audit is looking “at the company that audit subjects keep,” for example, whether they’ve been involved in transactions with other audited taxpayers. The agency generally goes back three years in its examination, but it can go back as far as six “if it finds a substantial error.” The most audits (12.5 percent) are conducted on households earning $1 million or more. If you’re worried about the IRS coming to your door, don’t be; 70.8 percent of audits are conducted through written correspondence. Errors are much less common in electronic filings – just 0.5 percent, versus 21 percent in returns filed by mail. *(The Week magazine, April 19, 2019)***

**A taxpayer's chances of being audited by the IRS have plunged due to budget cuts and staff reductions at the agency mandated by the Republican-controlled Congress. In the fiscal year ending September 30, the IRS audited just 1 in 160 individual returns -- down from 1 in 90 in 2011. Households making $1 million or more were scrutinized 4.37 percent of the time, down from 12.48 percent in 2011. *(New York Post, as it appeared in The Week magazine, April 13, 2018)***

**The Internal Revenue Service audited just 0.59 percent of individual tax returns last year; the seventh consecutive year audits have declined amid budget and staffing cuts at the agency. *(The Wall Street Journal, as it appeared in The Week magazine, May 31, 2019 / June 7, 2019)***

**The IRS audited just 6.66 percent of the 16,000 tax returns filed by people with more than $10 million in adjusted gross income last year, down from 14.52 percent in 2017 and the lowest rate since records began in 2008. *(Oz.com, as it appeared in The Week magazine, May 31/June 7, 2019)***

**Why the IRS audits the poor: The IRS audits the working poor at about the same rate it does the wealthiest 1 percent, said Paul Kiel in ProPublica.org, but after lawmakers confronted IRS Commissioner Charles Rettig about the focus on low-income taxpayers, the agency said “it can’t change anything unless it is given more money.” Last year, 380,000 audits, or 39 percent of the total, were conducted on low-income taxpayers who claim the earned income tax credit. The most heavily audited county in America was Humphreys County, Mississippi, where a third of residents are below the poverty line. The IRS can use relatively low-level employees to audit those returns, whereas it “takes senior auditors hours upon hours to complete an exam” of a richer taxpayer’s return. The agency says the practice is the most efficient use of available IRS examination resources. In other words, it’s “just easier and cheaper to audit the poor.” *(The Week magazine, October 18, 2019)***

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**A big-league baseball pitcher who makes loads of money was being interviewed on a radio talk show. “Who hit you the hardest last year?” the announcer asked. Replied the pitcher, “Uncle Sam!” *(Jean Mullen)***

**Behind every man who achieves success stand a mother, a wife and the IRS. *(Ethel Jacobson, in The Wall Street Journal)***

**I just filled out my income tax. Who says you can’t get killed by a blank? *(Milton Berle)***

**Jeff Bezos will save at least $610 million in taxes on his sale of 50 million Amazon shares last year by moving from Washington to Florida. In 2022, Washington state imposed a new, 7 percent capital gains tax on sales of stocks or bonds of more than $250,000. *(CNBC.com, as it appeared in The Week magazine, February 23, 2024)***

**The 10 biggest tax breaks will save American taxpayers more than $900 billion this year, with 51 percent of the benefits going to the richest 20 percent of households, according to a new report by the Congressional Budget Office. The wealthiest 1 percent – those with at least $327,000 in annual income – got 17 percent of these tax benefits. *(The Washington Post, as it appeared in The Week magazine, June 14, 2013)***

**As further proof that our tax system is broken, consider this recent revelation by reporters at ProPolitica.org: If you're a member of the working poor -- people who earn less than $20,000 -- you are nearly as likely to be audited as people whose earnings put them in the top 1 percent. It might seem foolish of the IRS to chase after low-paid taxpayers for a few hundred bucks rather than, say, a reality TV show host claiming a suspect business loss of $72.9 million. But years of withering budget cuts by congressional Republicans have left the IRS so stripped of experienced staff that it can only audit 1.56 percent of the richest Americans' returns. Auditing the poor is simpler -- they can't afford tax lawyers -- and is thus "the most efficient use of IRS's limited examination resources," the agency says. As we've been reminded this past week, the U.S. does not have one income tax system, but two. One is for salaried schmucks whose income is reported directly to the government and who enjoy precious few deductions or options for cheating. The other is for the self-employed, owners of limited-liability companies, hedge-fund managers, and the very wealthy. For them, the tax code is like a Christmas tree laden with shiny baubles and surrounded by ribboned presents -- deductions, tax-avoidance schemes, and loopholes of all kinds. In the deep forest of a 400-page tax return, it is easy to hide questionable claims, like classifying your daughter -- an executive in the family firm -- as a "consultant" so you can write off her $747,622 salary as a business deduction. Fraud, the IRS estimates, will cost the government $7.5 trillion in taxes not paid over the next decade. Every dollar that cheats do not pay, of course, is either paid by the "losers and suckers" or added to the trillions in debt we are handing off to our children. Americans deserve a much better and simpler tax code, but we will not get one until we demand one. *(William Falk, in The Week magazine, October 9, 2020)***

**Tax reform is taking the taxes off things that have been taxed in the past and putting taxes on things that haven’t been taxed before. *(Art Buchwald)***

**Warren Buffett, legendary investor and self-made multi-billionaire, filed his first income tax return at age 13, reporting revenue from a newspaper delivery job. He claimed a $35 deduction for his bicycle. *(Harry Bright & Jakob Anser, in That’s A Fact, Jack!, p. 127)***

**After the child has an argument with his mother, he says as he walks out the front door: “You'll be sorry in April when you can't deduct me.” *(A. A. McCourt)***

**In the course of the last decade, there have been 4,428 changes to the federal tax code, or more than one per day. As a result of the code’s growing complexity, Americans spent a total of 7.64 billion hours in 2010 negotiating tax-related paperwork – more than twice the working time of all the elementary school teachers in the U.S. (Reason.com, as it appeared in The Week magazine, April 27, 2012)**

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*Budget cuts have forced the Internal Revenue Service to slash its enforcement staff by a third since 2011. The rate at which the agency audits tax returns has plummeted by 42 percent since then, with just 328 criminal referrals in 2016. The IRS estimates that business owners alone cheat the government of $125 billion in taxes every year. *(ProPublica.com, as it appeared in The Week magazine, October 12, 2018)***

**After hearing a sermon on Psalm 52:3-4 (lies and deceit), a man wrote the IRS, “I can’t sleep knowing that I have cheated on my income tax. Enclosed is a check for $150. If I still can’t sleep, I’ll send the rest.” (Reader’s Digest)**

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*For a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle. (Winston Churchill, in The Sydney Morning Herald)**

**The total tax burden on Americans in 2009, as a percentage of GDP, was 24 percent, lower than it was in 1965. In comparison, Canadians pay 31 percent of GDP in taxes, Britons 34 percent, Germans 37 percent, and the French 42 percent. *(Toronto Globe and Mail, as it appeared in The Week magazine, August 12, 2011)***

**Corporations are paying the lowest level of taxes in four decades. Last year companies paid taxes of just 12.1 percent on their U.S. profits, the lowest share since at least 1972 and far lower than the 25.6 percent they paid on average from 1987 to 2008. *(The Wall Street Journal, as it appeared The Week magazine, February 17, 2012)***

**The IRS has cut its backlog of unprocessed paper tax returns by 80 percent, from 13.3 million returns at the end of the 2022 filing season to 2.6 million at the end of the 2023 filing season. And now 35 percent of calls are answered; in the past, that number had fallen as low as 11 percent. *(Associates Press, as it appeared in The Week magazine July 7/July 14, 2023)***

**Mr. Wilson says to Mrs. Wilson: “I still think the Mitchell’s should let us claim Dennis as a tax deduction.” *(Hank Ketcham,, in Dennis the Menace comic strip)***

**U.S. Treasury Department has an interesting definition for the word “tax”: “A compulsory payment for which no specific benefit is received.” *(L. M. Boyd)***

**The tax auditor says to Ziggy concerning the animals that he has brought with him to the audit: “Ziggy, I realize that they all depend on you, but that doesn’t qualify you to claim them on your internal revenue forms as ‘dependents’!” *(Tom Wilson, in Ziggy comic strip)***

**More than 125,000 high-income Americans, including 25,000 who make over $1 million a year, did not file tax returns in at least one year from 2017 to 2022, according to the Internal Revenue Service. The IRS has collected about half a billion dollars in overdue taxes since launching a crackdown on wealthy tax cheats in 2023. *(Associated Press, as it appeared in The Week magazine, March 15, 2024)***

**IRS auditor asks Ziggy: “Now, then, do you want your $200 refund, or whatever is behind door #1?” *(Tom Wilson, in Ziggy comic strip)***

**Filing taxes doesn't have to be awful: You may not be shocked to hear that the Internal Revenue Service has about 800 different tax forms, said Monica Prasad. For some, "the instructions literally state that to determine whether you need to fill out the form, you first need to fill out the form. It's no wonder there's a thriving tax-preparation industry in the U.S. On average, we each spend 12.5 hours every year preparing our taxes. "Imagine if, instead of sending you a statement in the mail, your bank required you to keep all your receipts and fill out forms about what you bought." Meanwhile, in places like Japan, Sweden, Estonia, and Great Britain, "people don't have to file taxes." They can simply "check the government's arithmetic." The same could happen here. The reason we don't is that the U.S. makes filing taxes "painful by design." The common belief, especially among Republicans, is that -- as Ronald Reagan put it -- "taxes should hurt." Ultimately, even Reagan himself came around to the idea of prefilled tax forms. But the Republican Party has stuck to its guns, because reminding voters of the hours spent filing taxes can "come in handy in campaigns against taxes in general." *(The Week magazine, April 19, 2019)***

**DOGE firings continued with terminations of nearly 7,000 IRS staffers. The IRS layoffs won’t save a thing, said Abu Bakkar Siddique in The Hill. The U.S. loses an estimated $1 trillion in unpaid taxes each year, and cutting staff will only increase those losses because the agency will have to reduce audits and compliance checks. Tax cheats will benefit as the burden is shifted “onto honest taxpayers.” *(The Week magazine, March 7, 2025)***

**Officials in the IRS and the Treasury Department expect a 10 percent drop in tax receipts by the April 15 filing deadline compared with last year, costing the government potentially more than $500 billion in revenue. The Trump administration has moved to fire nearly 20,000 IRS employees, and the agency has dropped tax investigations of high-value corporations and individuals. *(The Washington Post, as it appeared in The Week magazine, April 4, 2025)***

**Bad week for: The Dutch treasury, after tax officials ruled that witches are entitled to tax-deduct the cost of their broomsticks. *(The Week magazine, October 7, 2005)***

**While working as an agent for the Internal Revenue Service, I traveled to a small community to audit a businessman’s tax return. At lunchtime, we headed for the town’s only restaurant. As we walked in, all eyes in the crowded dining room followed us. “Won’t they wonder about you eating with a strange woman?” I asked. With a twinkle in his eye, he leaned over and replied, “I’ll tell them you’re after my money.” *(Kay Andrews, in Reader’s***

***Digest)***

**One says to another: “I’ve discovered that one very effective way to lower your taxes is to make no money.” *(Dan Piraro, in Bizarro comic strip)***

**Husband, working on taxes, to wife: “Let me explain it this way, Doris. We have six apples. The IRS wants seven.” *(Jacobson, Gannett News Service)***

**Thirty-five Internal Revenue Service agents are assigned full-time to ExxonMobil headquarters in Houston, where they conduct a nonstop audit of the company’s tax accounting. In 2009, Exxon paid no U.S. income taxes on profits of $19.3 billion, receiving instead a $156 million credit. The company paid $15.2 billion in foreign taxes. *(Fortune.com, as it appeared in The Week magazine, June 3, 2011)***

**Frank says to the IRS agent at the desk: “I don’t want to pay my fair share of taxes. I want to pay someone else’s fair share.” *(Bob Thaves, in Frank & Ernest comic strip)***

**The GOP’s far-right tax proposal: “It will be interesting to see how many House Republicans are suicidal enough” to vote for their so-called Fair Tax bill, said Timothy Noah. House Speaker Kevin McCarthy promised a committee hearing on the proposal, which would eliminate taxes on income, capital gains, gifts, estates, payrolls, and corporations. It would kill the IRS, too, leaving the governance of a flat 30 percent national sales tax on everything you buy to the Treasury Department. The extremist proposal appeals to a small, far-right constituency, but would be a huge political gift to President Biden and the Democrats,” who can only hope House Republicans are this stupid.” Even if lower-income people get some rebates under the GOP plan, a consumption tax would redistribute wealth from the poor and middle class to the rich, “for whom consumption is a much smaller proportion of their income.” Imagine the reaction from young adults and senior citizens, many of whom pay no or little income tax and can’t afford an enormous markup on everything they buy. The bill has zero chance of getting past a Democratic Senate, so a “purely symbolic House vote” for a 30 percent national sales tax would be “all upside for the Democrats.” *(The Week magazine, February 3, 2023)***

**A fellow spends all year complaining about his income only to discover on April 15 that he makes more money than he can afford. *(Harold Coffin, in Reader’s Digest)***

**Fewer Americans paid taxes in 2020: Almost 107 million households owed no federal income taxes in 2020, said Andrew Keshner in MarketWatch.com. It was a 40 percent increase year-over-year “from the almost 76 million households who didn’t have a federal income tax bill in 2019.” The tax bill shrank for many households because of two rounds of stimulus checks provided by the government, which essentially served as refundable tax credits. Approximately 22 million people were also laid off early in the pandemic, reducing their tax liability even further. The March 2021 stimulus package then “exempted the first $10,200 in jobless benefits.” The number of households without a federal income tax bill is expected to remain high in 2021 as well, thanks to increases in the child tax credit and the earned income tax credit. *(The Week magazine, September 3, 2021)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*English inventor Michael Faraday conceived and built the first electric motor, then tried to get the backing of Prime Minister William Gladstone. Gladstone wasn’t impressed with the crudely made invention. “What possible good is it?” asked Gladstone. Faraday’s reply changed Gladstone’s attitude: “Some day you’ll be able to tax it.” *(Bits & Pieces)***

**Receiving her first paycheck, my teen-age daughter complained to me that the amount was much less than it should be. I looked at it, then carefully explained how Social Security, federal and other taxes were subtracted from her gross pay. “But Mom,” she wailed, “I didn’t give them permission to take those things out of my check!” *(Becky Clark, in Reader’s Digest)***

**To finance the Civil War, a 3 percent income tax on all incomes over $800 was enacted by the federal government in 1864. It was the first time an income tax was enacted in the United States. The law was discontinued in 1872. The U.S. Supreme Court declared the law unconstitutional in 1894. Not until 1913, with the adoption of the Sixteenth Amendment, did the income tax become law. *(Isaac Asimov’s Book of Facts, p. 60)***

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**If every Fortune 500 company paid taxes on its profits sheltered overseas, the U.S. government would receive $717.8 billion, according to a new study co-authored by U.S. PIRG Education Fund and Citizens for Tax Justice. The windfall would easily cover the entire 2015 federal budget deficit of $439 billion. (The New York Times, as it appeared in The Week magazine, October 14, 2016)**

**In 2013, the Internal Revenue Service uncovered $24.4 billion in attempted tax fraud, but mistakenly paid out more than $5 billion in tax refunds to identify thieves. (Money.com, as it appeared in The Week magazine, February 6, 2015)**

**The U.S. budget deficit totaled $2.77 trillion this fiscal year. That’s the second-highest deficit on record; the highest, $3.13 trillion, occurred last year. This year, the government collected $627 billion more in tax revenues than it did in 2020, pulling in a record-high $4.05 trillion. (The New York Times, as it appeared in The Week magazine, November 5, 2021)**

**Whatever you tax, you get less of. (Alan Greenspan, in Barron’s)**

**April 15 is when you’re haunted by the Ghost of Earnings Past. *(The American Legion magazine)***

**Inflation is the way politicians tax poor people. (Bits & Pieces)**

**The heirs of Texas billionaire Dan Duncan, who died in March, paid no federal inheritance taxes on his $9 billion estate. Had he died in 2009, his estate would have been taxed at a 45 percent rate. Had he lived until 2011, the tax would have hit 55 percent. As a result of Bush-era legislation, the estate tax was repealed for 2010. (The New York Times, as it appeared in The Week magazine, June 25, 2010)**

**The IRS has collected $1 billion in back taxes from millionaires since 2023. The collection effort, which followed an $80 billion funding boost for the agency in the 2022 Inflation Reduction Act, focused on 1,600 individuals who had failed to pay their recognized tax debt. *(Forbes, as it appeared in The Week magazine, July 26, 2024)***

**IRS auditor to taxpayer: “As a matter of fact, Mr. Baxter, we did happen to notice your little joke of listing the U.S. government as a dependent.” (The American Legion magazine cartoon)**

**A person doesn’t know how much he has to be thankful for until he has to pay taxes on it. (Ann Landers, in U.S. News)**

**The income tax man says to Herman: “I know your landlord depends on the rent but you can't list him as a dependent.” *(Jim Unger, in Classic Herman comic strip)***

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**Ever wonder why the IRS calls it Form 1040?” asks Jay Leno. “For every $50 you earn, you get ten and they get 40.” (“Tonight Show,” NBC)**

**April 15, tax day -- the day when most Americans realized just how expensive it is to bring democracy to the Middle East. It's the day the government takes 40 percent of what you make. The other 60 percent is taken by the gas station. *(Jay Leno)***

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**IRS auditor to nervous citizen: “Let’s begin with where you claim depreciation on your wife.” *(Uluschak in Edmonton, Alberta, Journal)***

**IRS motto: “It’s better to give than to deceive.” *(Darien, Connecticut, Review)***

**U.S.-based multinationals now park more than half of their profits in overseas tax havens, including Luxembourg, the Netherlands, Switzerland, Ireland, and Grand Cayman. That share has doubled since 1993. *(Bloomberg.com, as it appeared in The Week magazine, December 26, 2014)***

**Discussing the environment with his friend, one man asked, “Which of our natural resources do you think will become exhausted first?” “The taxpayer,” answered the other. *(Winston K. Pendleton, in Complete Speaker’s Galaxy of Funny Stories, Jokes, and Anecdotes)***

**Just taught my kids about taxes by eating 38 percent of their ice cream. *(Conan O’Brien, in Reader’s Digest)***

**A nervous taxpayer was unhappily conversing with the IRS tax auditor who had come to review his records. At one point the auditor exclaimed, “Mr. Carr, we feel it is a great privilege to be allowed to live and work in the USA. As a citizen you have an obligation to pay taxes, and we expect you to eagerly pay them with a smile.” “Thank goodness,” returned Mr. Carr, with a giant grin on his face from ear to ear. “I thought you were going to want me to pay with cash.” *(S.C.U.C.A. Regional Reporter)***

**Old taxes never die; they just turn up under a different name. *(Bill Vaughan, in Kansas City Star)***

**“Lucky duckies.” That, said former Reagan administration official Bruce Bartlett, is what The Wall Street Journal calls low- and middle-income Americans who pay no federal income taxes. It would be unfair, some argue, to raise taxes on the wealthy, since 46 percent of tax filers do not share the burden of running the country. But the poor aren’t the only “lucky duckies.” New data show that 78,000 households with incomes of $211,000 to $533,000 will pay not a dime in federal income taxes this year. Astonishingly, another 24,000 filers with incomes of $533,000 to $2.2 million will also pay zero. So will 3,000 filers with incomes over $2.2 million. How can this be? Our tax code is rife with tax breaks and loopholes for the wealthy; many, for example, erase their liability by deducting past capital-gains losses from this year’s income. And that doesn’t include illegal tax evasion, “which is quite extensive” among the self-employed. In the current, bitter debate over raising taxes, perhaps we can agree at least on closing loopholes for wage-earners at the very top. “It’s not socialism to ask them to pay something.” *(The Week magazine, July 15, 2011)***

**Roughly 24 percent of a person’s taxes are spent by the federal government on Medicare, Medicaid, and the Children’s Health Insurance Program; and 19 percent on defense and international security. (*Vox.com, as it appeared in The Week magazine, April 25, 2014)***

**No, you can’t play Pokemon Go in jail*:* The U.S. government is now in possession of a rare Pokemon trading card seized from a man who bought it using Covid relief funds, said Neil Vigdor in The New York Times. It may be “the oddest seizure yet” by federal authorities in a flood of cases involving misappropriation of pandemic relief money. Vinath Oudomsine, 31, was sentenced to three years in prison last week after he “spent $57,789 of loan proceeds” on a “gem mint” Charizard card. Oudomsine had received $85,000 from the Small Business Administration in 2021 for his “entertainment services” business, which didn’t exist. In addition to his deceit, Oudomsine may be guilty of gravely mistiming the trading-card market. He bought “at the peak of themarket,” said card expert Charlie Hurlocker, who expected the government, which plans to auction the card, to have a hard time recouping its losses. *(The Week magazine, March 18, 2022)***

**Bad week for: North Koreans, who have been told to produce 200 pounds of “human manure” every day, to help fertilize the nation’s crops, and to pay for any shortfall in cash. Since no human makes that much poop, the new directive seems to be a unique kind of tax. *(The Week magazine, February 8, 2019)***

**The wages of sin are death, but by the time taxes are taken out, it’s just sort of a tired feeling. *(Paula Poundstone)***

**A Salt Lake City CPA firm advertises its tax-preparation services with the phrase “When you care enough to send the very least...” *(Reader's Digest)***

**“I’ll tell you what I tell every taxpayer who sits in that chair,” said the IRS agent at the beginning of Brown’s audit. “It’s a privilege to live in this great country, and you should pay your taxes with a smile.” “Thank goodness,” said a visibly relieved Brown. “I thought you were going to ask for money.” *(Jeff Rovin, in 1001 Great Jokes)***

**It seems a little ridiculous now, but this country was originally founded as a protest against taxation. *(Bits & Pieces)***

***First lady*: “You certainly put off your taxes until the last minute.” Second lady: “I’ve got three and a half days before the filing deadline. For some of us that’s hardly last minute.” A third lady then enters the room and says: “Doing your taxes already?” *(Jan Eliot, in Stone Soup)*
It’s a fundamental question of American politics: How much does each of us owe in taxes to our government? This nation was conceived in a tax revolt, and many Americans today are still up in arms over the unfairness and mind-numbing complexity of our tax system. This week we watched Congress grapple with the high and the low of it, without coming close to lifting the fog. Some expected fireworks as Apple CEO Tim Cook appeared before a Senate panel to address the uncomfortable fact that his company records 64 percent of its global income in Ireland, where it has a sweet tax deal. But Cook disarmed his challengers with an argument that passes the small test for anyone who has ever read a U.S. tax regulation: It’s not that simple. Soon all the senators were gushing about how much they loved their iPads. It will be a cold day in hell when anyone gushes about how much they love the IRS, now under fire for targeting Tea Party groups seeking tax-exempt status. The American people may have little sympathy for a company using Ivy League tax lawyers to slalom through the corporate tax code. But what really rankles most folks is our tax system itself, which invites abuse of all kinds. The real message of both the Tea Party scandal and Apple’s tax avoidance is the same: We need a simpler, clearer tax code. I hope we can reach one without another revolt. *(James Graff, in The Week magazine, May 31, 2013)***

**This year the IRS didn’t make radical changes in the income-tax blanks. Apparently they’ve already been simplified beyond all understanding. *(Bill Vaughan, in Reader’s Digest)***

**A record 3,415 people renounced their U.S. citizenship or long-term residency in 2014 – a 14 percent increase from last year’s own record-breaking total of 2,999 individuals. Many are believed to have given up their ties in order to avoid U.S. taxation. *(WSJ, as it appeared in The Week magazine, February 27, 2015)***

**One man says he’s delighted that America is going from a sex revolution to a tax revolution. “It’s nice to have a revolution your wife will let you join.” *(Orben’s Current Comedy)***

**In the 1960s, the 400 richest Americans paid about half their income in taxes. By 2018, their effective tax rate had fallen to 23 percent, lower than the rate paid by working-class Americans. *(The New York Times, as it appeared in The Week magazine, May 17, 2024)***

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**The only difference between death and taxes is that death doesn't get worse every time Congress meets. *(Will Rogers, actor and humorist)***

**The income tax has made more liars out of the American people than golf has. When your forms’ made out, you don’t know whether you are a crook or a martyr. *(Will Rogers)***

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**The ancient Romans often paid their taxes in honey. *(Noel Botham, in The Ultimate Book of Useless Information, p. 187)***

**I just heard the most marvelous rumor of them all – that Form 1040 has been found to cause cancer in laboratory rats! *(Orben’s Current Comedy)***

**Little boy to friend: “I’d run away from home, but my dad needs me as a tax deduction.” *(G. Dole, in Parade magazine)***

Apropos of tax time, this sticker: “Save Our Trees, Stop Printing Tax Forms.”

***(Robert Orben, in The Wall Street Journal)***

**No Surprise: The botanical name for the yew, used extensively for shrubbery around Washington government buildings, is Taxus. *(Philip B. Brill, in Reader’s Digest)***

Well into the nineteenth century, Siberians could pay their taxes with garlic. (Don Voorhees, in The Essential Book of Useless Information, p. 232)

**Sign on door of IRS office: “Sorry, we’re open.” *(Rod Browning, in Reader’s Digest)***

**Maybe we ought to spell it “taxx” – if anything deserves to be a four-letter word, it does. *(Orben’s Current Comedy)***

The states with no income tax are Alaska, Florida, Nevada, New Hampshire, South Dakota, Texas, Washington, and Wyoming.i (L. M. Boyd)

**Did you ever get to wondering if taxation without representation might have been cheaper? *(Robert Orben)***

**Taxing the rich isn’t enough: France tried “soaking the rich with a wealth tax, and it didn’t go well,” said Noah Smith. From 1982 to 1986 and again from 1988 to 2017, France imposed a tax of about 1.4 percent on fortunes larger thab $14.3 million. That’s far lower than the 6 percent and 8 percent top rates floated by Democratic presidential candidates Elizabeth Warren and Bernie Sanders, Still, “at least 10,000 wealthy people left the country to avoid paying” France’s levies, and the revenue the tax raised was paltry – only a few billion euros, “or about 1 percent of France’s total revenue from all taxes.” When those richest families left, “France lost not only their wealth-tax revenue but their income taxes and other taxes as well,” costing the French government about twice what the tax brought in. In 2012, the country also tried introducing a “supertax” of 75 percent on incomes of more than $1 million. But it only “added to the exodus of wealthy individuals,” raising just 160 million euros before it was repealed two years later. France realized it “didn’t need these flamboyant taxes on the rich” to increase government revenue and reduce inequality: It raised taxes across the board and boosted social-welfare spending – a more effective strategy to raise revenue and reduce inequality that’s less exciting to “populist firebrands.” *(The Week magazine, November 29, 2019)***

They tax you when you earn a dollar, they tax you when you save it, they tax you when you invest it. If you earn a dividend, they tax it again, and if you’re stupid enough to die, they steal up to half. (Grover Norquist, president of Americans for Tax Reform)

**When my six-year-old son put a tooth under his pillow, I emptied all the coins out of my pocket in exchange for it. “Look what the tooth fairy left!” he exclaimed the next morning. “Fifty cents plus three cents tax.” *(Bruce Underwood, in Reader’s Digest)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*The income needed to enter the top 1 percent of U.S. taxpayers hit $515,371 in 2017, according to IRS data released last week. That’s up 7.2 percent from a year earlier and 33 percent since 2011, when Occupy Wall Street protesters rallied under the slogan “We are the 99 percent.” *(Bloomberg.com, as it appeared in The Week magazine, November 1, 2019)***

**In 1864, the top U.S. income tax rate was 3 percent. (*Uncle John’s Bathroom Reader: Wise Up!, p. 183)***

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**Tax Trivia: The high cost of the War of 1812 brought about the nation’s first sales taxes on gold, silverware, jewelry, and watches. Congress enacted the nation’s first income tax law in 1862 to pay for the war between the states. During the first World War, tax rates were pushed up to 77 percent. During World War II some tax rates were as high as 94 percent. The personal income tax began with the 16th Amendment to the constitution, passed by Congress on July 2, 1909. *(The PassTime Paper)***

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**What is the difference between a taxidermist and a tax collector? The taxidermist takes only your skin. *(Mark Twain)***

**Almost 940,000 Americans have yet to claim their 2020 tax refund. There’s more than $1 billion worth of unclaimed refunds that will be left on the table ifpeople don’t file their 2020 tax return before May 17. *(Axios, as it appeared in The Week magazine, April 5, 2024)***

**Income tax is Uncle Sam’s version of “Truth or Consequences.” *(General Features Corp., as it appeared in Reader’s Digest, April, 1974)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*$400 billion: Estimated amount by which Americans will underpay the IRS this year. $360 billion: projected 2006 U.S. budget deficit. *(USA Today, as it appeared in Time magazine, March 13, 2006)***

**Millionaires and billionaires in the U.S. are underpaying their taxes by more than $150 billion a year, according to the head of the Internal Revenue Service. Audits of taxpayers making more than $1 million a year fell by more than 80 percent over the past decade due to IRS budget cuts, while the number of taxpayers in that bracket jumped by 50 percent. *(CNBC.com, as it appeared in The Week magazine, March 8, 2024)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*Every botanist knows a tomato is a fruit, so why did the U.S. Supreme Court in 1891 designate it as a vegetable? Because there was a 10 percent duty on vegetables then, but not on fruit. *(L. M. Boyd)***

**A couple visiting us in Washington, D.C., wanted to see the White House for the first time. At the gate after a long wait, our guest Mary asked the guard, “Do we have to pay?” “Every April 15,” he replied. *(David Arnold, in Reader's Digest)***

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*The 100 richest Americans would hand over more than $78 billion in a year under a wealth tax proposed this week by Sen. Elizabeth Warren (D-Mass.) and other lawmakers. Dubbed the Ultra-Millionaire Tax Act, the bill would require households with more than $50 million to pay a 2 percent annual tax, with an extra 1 percent surtax on fortunes over $1 billion. *(Bloomberg.com, as it appeared in The Week magazine, March 12, 2021)***

**The overall tax rate for the 400 wealthiest households in the U.S. – including federal, state, and local taxes – last year was 23 percent, lower than for any other income group for the first time on record. In 1950, the wealthiest Americans paid 70 percent of their income in taxes. *(The New York Times, as it appeared in The Week magazine, October 18, 2019)***

**More than 125,000 high-income Americans, including 25,000 who make over $1 million a year, did not file tax returns from 2017 to 2022, according to the Internal Revenue Service. The IRS has collected about half a billion dollars in overdue taxes since launching a crackdown on wealthy tax cheats in 2023. *(Associated Press, as it appeared in The Week magazine, March 15, 2024)***

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**In 2018, the richest 20 percent of households in the U.S., those with incomes of $150,000 or more, will pay about 87 percent of income taxes, up from about 84 percent last year. The lower 60 percent of households, with incomes up to about $86,000, will pay no net federal income tax in 2018, vs. 2 percent of it last year. *(The Wall Street Journal, as it appeared in The Week magazine, April 20, 2018)***

****Wouldn’t it be silly to have a law so complicated that everybody had to take a day off once a year just to figure out how to comply with it? Unfortunately, we’ve already got one – the federal income tax law. *(Bits & Pieces) 12129112*****

**Man, gloomily working at his desk, to wife: “You’re all I have left after taxes.” *(Lichty, in Reader’s Digest)***

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