

Progressive Tax

Is the progressive U.S. tax code unfair to the wealthy who must pay a higher percentage of their income in taxes than those who earn less? or is it right to subject higher income earners to a higher tax rate?

Relation to Current Events



EVALUATIONS

Chloe's Eval



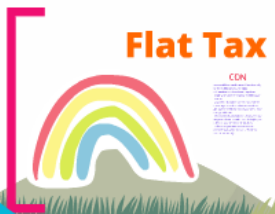
Serena's Eval



Jessica's Evaluation



Flat Tax



CON	PRO

Progressive Tax



CON	PRO



THE END

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History



Four

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Relation to Current Events

Text describing the relation to current events, including a pie chart and a list of points.

EVALUATIONS



Chloe's Eval

Text describing Chloe's evaluation of the tax system.

Serena's Eval

Text describing Serena's evaluation of the tax system.

Jessica's Evaluation

Text describing Jessica's evaluation of the tax system.

Flat Tax

CON
Text describing the cons of a flat tax.

PRO
Text describing the pros of a flat tax.

Progressive Tax

CON
Text describing the cons of a progressive tax.

PRO
Text describing the pros of a progressive tax.

History

Text describing the history of the tax system.

MORE

Text describing more information about the tax system.

Foundations

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Progressive Tax

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Progressive

Is the progressive U.S. tax code unfair to the wealthy who must pay a higher percentage of their income in taxes than those who earn less? or is i right to subject higher income earners to a higher tax rate?





History

First Tax:

In 1862, in order to support the Civil War effort, Congress enacted the nation's first income tax law. It was a forerunner of our modern income tax in that it was based on the principles of graduated, or progressive, taxation and of withholding income at the source. During the Civil War, a person earning from \$600 to \$10,000 per year paid tax at the rate of 3%. Those with incomes of more than \$10,000 paid taxes at a higher rate. Additional sales and excise taxes were added, and an “inheritance” tax also made its debut. In 1866, internal revenue collections reached their highest point in the nation's 90-year history—more than \$310 million, an amount not reached again until 1911. the tax impose in the civil war was completely repealed in 1872.

Which led to

The 16th Amendment to the Constitution in 1913, which made the income tax a permanent fixture in the U.S. tax system. The amendment gave Congress legal authority to tax income and resulted in a revenue law that taxed incomes of both individuals and corporations. In fiscal year 1918, annual internal revenue collections for the first time passed the billion-dollar mark, rising to \$5.4 billion by 1920. With the advent of World War II, employment increased, as did tax collections—to \$7.3 billion. The withholding tax on wages was introduced in 1943 and was instrumental in increasing the number of taxpayers to 60 million and tax collections to \$43 billion by 1945.

AND...

On Oct. 22, 1986, President Reagan signed into law the Tax Reform Act of 1986, one of the most far-reaching reforms of the United States tax system since the adoption of the income tax. The top tax rate on individual income was lowered from 50% to 28%, the lowest it had been since 1916.

Omnibus Budget Reconciliation Act of 1993

- It created 36 percent and 39.6 income tax rates for individuals in the top 1.2% of the wage earners.
- It created a 35 percent income tax rate for corporations.
- The cap on Medicare taxes was repealed.
- Transportation fuels taxes were raised by 4.3 cents per gallon.
- The taxable portion of Social Security benefits was raised.