

105TH CONGRESS
1ST SESSION

H. R. 853

To direct the Comptroller General of the United States to study the effect that a tax system comprised of a 10 percent Federal consumption tax and a 10 percent flat Federal income tax would have on the Federal Government and the United States economy.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 26, 1997

Mr. TRAFICANT introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To direct the Comptroller General of the United States to study the effect that a tax system comprised of a 10 percent Federal consumption tax and a 10 percent flat Federal income tax would have on the Federal Government and the United States economy.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. STUDY OF TAX SYSTEM COMPRISED OF CON-**
2 **SUMPTION TAX AND FLAT INCOME TAX.**

3 (a) IN GENERAL.—The Comptroller General of the
4 United States shall study the effect that a tax system com-
5 prised of a 10 percent Federal consumption tax and a 10
6 percent flat Federal income tax would have on—

7 (1) revenues to the United States Government,
8 including the effect on the annual budget deficit,
9 and

10 (2) the economy of the United States.

11 (b) MATTERS AFFECTING THE STUDY.—In conduct-
12 ing the study under subsection (a), the Comptroller Gen-
13 eral shall assume no exclusions, deductions, or credits
14 other than those in connection with a trade or business
15 and the standard deduction, the personal exemption, inter-
16 est on indebtedness to acquire a principal residence, and
17 payments made for college tuition.

18 (c) VARIANCE OF RATES.—For purposes of para-
19 graphs (1) and (2) of subsection (a), the Comptroller Gen-
20 eral shall also study the effect if the rates of tax referred
21 to in subsection (a) are varied over time but raise the same
22 revenue as the tax system in effect on the date of the en-
23 actment of this Act.

1 (d) SUBMISSION TO CONGRESS.—Not later than one
2 year after the date of the enactment of this Act, the Comp-
3 troller General shall submit to the Congress a report con-
4 cerning the study under subsection (a).

