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Subject: Scrap the income tax!

Posted by [Hydra](#) on Sun, 17 Apr 2005 04:17:45 GMT

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gbullwouldnt an increase of sales tax cause a decrease in sales nationwide? Thus lowering the number of sales. Now if sales are lowered, companies are not going to want to lose money so the price of goods will rise to compensate for the loss as the demand for them falls. This doesnt look as if it would work on any scheme I look at it and could collapse the economy into a modern depression. Not something i wanna deal with, i'll just pay my income tax.

HydraEvery product you buy right now has an embedded tax in the price of the product, resulting from the income taxes placed on businesses, taxes such as payroll taxes and corporate income taxes. With the FairTax plan, those taxes would be completely eliminated, so the overall price of the product would go down.

How would it cause a decrease in sales? If anything, sales would increase because people would have more money to spend on goods that are basically the same price, if not a little (to substantially) cheaper.

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