

The other side of..... the Fiscal coin

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Although the details are hazy, there is every indication that the American taxpayer this year will get his first real break since 1947.

The individual income taxpayer has already benefited by a 10 percent reduction and may get further tax relief before Congress adjourns. He is still paying some 20 percent more than he did in 1948.

Equally important to a healthy U. S. economy is the recent demise of the dangerous excess profits tax and the scheduled lowering of corporate income and excise tax rates.

In addition, Congress is working on the first complete revision of the tax code in U. S. history. This overhaul is aimed at taking the tax brakes off business and helping to create the 700,000 new jobs needed every year for young people beginning to make their way.

Tax reduction, however, is just one side of the

fiscal coin. We cannot safely reduce taxes without sharply curtailing Federal expenditures as well. In 20 of the 25 years since 1929, the Federal government has overspent its income. In so doing, it has helped cut the purchasing power of the dollar in half.

CUT NEEDLESS FUNCTIONS

Therefore, while we are shooting for long-needed tax reductions, we must sharply reduce Federal spending in an effort to balance the U. S. budget on a lower level. Barring a major change in the international situation, we should aim at balancing the Federal budget at about \$50 billion a few years from now.

Such a goal involves a continuing program to eliminate waste and inefficiency in Federal operations. But that will not be enough. We must also sharply curtail or eliminate Federal functions that are not essential or that can be performed as well or better by private citizens or by state and local