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APR 5 1983

How Taxation Is Bracketing Income

WHILE he was president, Franklin D. Roosevelt once declared no American ought to earn more than \$25,000 a year. That was a political comment, because he always lived considerably above that level.

His successor, Harry S. Truman, made a statement that every family ought to have an annual income of at least \$4,000, or some such amount.

Taken together, these declarations proposed a ceiling and a floor on personal and family incomes, something not mentioned in the constitution. You won't find a single law enacted by Congress that makes such a provision, either.

However, through taxation and redistribution of income a system with about the same effect is being established.

Latest definition of an affluent family is included in the "Band-Aid" law enacted to overcome faults of Social Security. It calls for taxation of a portion of benefits for individuals whose "adjusted gross income" plus 50 percent of Social Security benefits exceeds \$25,000 a year. For

married couples the figure is \$32,000 a year.

Official figure for determining poverty has risen to \$9,287 per year for a family of four, according to our latest information. It might be higher now, in spite of deceleration of inflation.

According to a report issued last year by the Bureau of the Census, the median family income for Americans in 1981 was \$22,390. Gradually but steadily the loop is closing in to bring everybody within officially determined income brackets.

Those who earn more will be taxed more to raise funds for government benefits to be handed to those who are incompetent, unable or unwilling to earn officially determined minimum incomes. Of course, congressmen, affluent political supporters and certain others will find ways to avoid severe limitations on their incomes.

Ever since the Great Depression the government in Washington has waged "war on poverty," calling it by such names as "New Deal," "Great Society" and other buzzwords. All political parties have

made appeals to pressure groups demanding more benefits from government.

The number of people who are "poor" today varies by sources of estimates. In 1960 it was estimated one in five Americans lived in poverty. After years of massive federal aid for food, housing, clothing, transportation, health care, education and household operation it was estimated last year that one in eight lives in poverty.

The recession brought on largely by excessive wage demands by labor unions has increased unemployment, especially in industries hit hard by competitive imported products. This no doubt has boosted the number of those whose incomes fall below the official minimum.

A writer named Frederic Bastiat defined the state as "that great engine by which everyone seeks to live at the expense of someone else." More seem to be succeeding at it.

Did we read where that was authorized by our Constitution, or was it something that communist Karl Marx set out as a goal?