

**STATEMENT OF DONALD W. JACKSON, EXECUTIVE SECRETARY,
TENNESSEE TAXPAYERS ASSOCIATION, INC., AND MEMBER,
POLICY COMMITTEE, NATIONAL TAXPAYERS CONFERENCE**

Mr. JACKSON. Donald W. Jackson, Nashville, Tenn. I am representing the National Taxpayers Conference, which is an organization composed of taxpayers' associations throughout the country.

The CHAIRMAN. We appreciate having you with us, Mr. Jackson, and I guess you observed that you have a Congressman from your district on this committee. We are very proud of him.

Mr. JACKSON. We are very proud of him too, Mr. Chairman. We think he is doing a fine job here.

The CHAIRMAN. He is. You are recognized, sir.

Mr. JACKSON. I am appearing before this committee today not only as executive secretary of the Tennessee Taxpayers Association, but primarily as the spokesman for the executives of a number of similar citizen-research organizations in various States, comprising the National Taxpayers Conference.

My statement has been concurred in by the executives of those statewide organizations who are listed on the last page of the material I believe you have before you.

Mr. Chairman, this committee is considering proposals which are designed to increase Federal revenues in the current fiscal year by an estimated \$7.4 billion. The bulk of this increase—\$6.3 billion—is to be raised through the proposed 10-percent surcharge on the tax liabilities of individuals and corporations.

The decisions taken by this committee on these proposals will inevitably hold vital implications for the future fiscal policy and direction of the Nation. It is in this context that I would like to present to the committee the views of those for whom I appear here today.

The tax increase proposals are presented to the Congress and the Nation with the argument that they are an integral part of a balanced fiscal program, needed to finance the Vietnam war and maintain a relatively stable economy—that is to say, tax increases balanced with expenditure restraint to hold a budget deficit (and thus a further increase in the national debt) to what are referred to as “manageable” proportions.

There are some who would contest this description of or justification for these tax increase proposals. Our view of the Government's current expenditure policies leads to a contrary conclusion—that this program may instead be characterized by imbalance, leaning too heavily on tax increases and not enough on stern and firm control and reduction of nonessential, nondefense Federal spending.

SIZE AND SCOPE OF THE TAX BURDEN

The burden upon the taxpayer is already extremely heavy, despite some tax reduction in recent years. According to figures recently published by the Tax Foundation, Inc., total taxes collected by all levels of government in the fiscal year 1967 amounted to about \$3,300 per American family, with Federal tax collections accounting for almost 70 percent of that amount. By comparison, a little more than a decade ago, in 1956, the total taxes collected per family amounted to about \$1,897.