



The Road to *Tax Liberty* THE GROSS RECEIPTS TAX

IT'S ALL IN THE DETAILS



First Things First

YES or NO...

**TAXATION IS THEFT,
correct?**

First Things First

YES or NO...

4 kinds of taxes. Tax on ...

- What is earned
- What is purchased
- What you own
- The value of your money (*the silent tax*)

First Things First

YES or NO...

Theory of a Good Tax

- Tax must be fair* (equally applied)
- Must have as little impact as possible on the market place (not used for social engineering)
- Must raise enough revenue to support the proper role of government
- Must be efficiently collected as possible (easy to collect and hard to avoid paying)

First Things First

YES or NO...

So... TAXATION IS THEFT, correct?

NOPE!

– and here's why...

First Things First

Constitution for the United States - ARTICLE I – Section 8: Preamble

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; **but all Duties, Imposts and Excises shall be uniform throughout the United States;**

First Things First

Constitution for the United States - ARTICLE I – Section 8: Preamble

ARTICLE I – Section 8 specifies the delegated and enumerated ROLES, RESPONSIBILITIES, POWERS and PROPERTIES that Congress has the authority to act on and spend taxes for.

NOTHING MORE – NOTHING LESS!

Taxes at the Federal Level

Allowed

▶ Lay and collect taxes

- ▶ Duties
- ▶ Imposts
- ▶ Excise

Defense and General Welfare

- ▶ What is DEFENSE
- ▶ What is GENERAL WELFARE

BORROW MONEY on the Credit of the United States

- ▶ Liening the assets of the country

Taxes at the Federal Level

Not Allowed

If it is not in Article I – Section 8, IT IS NOT ALLOWED!

**There are currently (as of 2/18/2023)
629 federal departments and agencies**

How many of these are authorized by the Constitution?

Taxes at the Federal Level

Article I – Section 8, ALLOWED!

Departments that are allowed under the Constitution

- Department of State (Diplomatic Relations with other nations)
- Department of the Treasury

Department of Defense (formerly Department of War)

- United States Navy
- State Militias (when Congress declares war)
- Attorney General

Taxes at the State Level

- ▶ STATES are where everything is made – by the People;
 - ▶ REVENUE is made
 - ▶ PRODUCTION is made

Taxes at the State Level

▶ TENTH AMENDMENT

- ▶ The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.;

▶ MISSOURI CONSTITUTION – REVENUE

Article IV, Section 22 - Department of revenue, duties of—director, appointment of...

- ▶ The department of revenue shall be in charge of a director of revenue appointed by the governor, by and with the advice and consent of the senate. The department shall have divisions as provided by law. The department shall collect all taxes and fees payable to the state as provided by law.

Taxes at the State Level

- ▶ MISSOURI REVISOR OF STATUTES
Current tax code;
 - ▶ Chapter 142 – **Motor Fuel TAX**
 - ▶ Ch. 143 – **Income TAX**
 - ▶ Ch. 144 – **Sales and Use TAX**
 - ▶ Ch. 145 – **Estate TAX**
 - ▶ Ch. 146 – **Intangible Personal Property TAX**
 - ▶ Ch. 147 – **Corporation Franchise TAX**
 - ▶ Ch. 148 – **TAXATION** of Financial Institutions
- ▶ Ch. 149 – **Cigarette TAX**
- ▶ Ch. 150 – **Merchants', Manufacturers', Itinerant Vendors' and Peddlers' Licenses and TAXES**
- ▶ Ch. 151 – **TAXATION** of Railroads and Street Railroads
- ▶ Ch. 152 – **Private Car TAX**
- ▶ Ch. 153 – **TAXATION** of Bridge, Express and Public Utility Companies
- ▶ Ch. 154 – **TAXATION** of boats and Vessels
- ▶ Ch. 155 – **TAXATION** of Aircraft

Taxes at the County & City Level

MISSOURI COUNTIES

- ▶ County Sales **TAX**
- ▶ Real Property **TAX**
- ▶ Personal Property **TAX**
- ▶ **FEES**
- ▶ **PERMITS & LICENSES**

Free Agency

Are we using taxes to VIOLATE FREE AGENCY?

USING COERSION AS A TOOL? - *Currently weaponizing taxing power to bring about social change*

Government is not supposed to coerce the people NOR

Promote social engineering NOR

Shield them from the consequences of their free choices

How can we hold the people accountable if they don't have the choice to be responsible for the consequences of their actions?

Free Agency

Are we using taxes to VIOLATE FREE AGENCY?

USING COERSION AS A TOOL? - *Currently weaponizing taxing power to force compliance*

- ▶ Federal taxation to undermine parental influence – Department of Education
- ▶ Federal taxation to violate property rights – Environmental Protection Agency
- ▶ Federal taxation supporting standing armies – FBI, CIA, IRS, BATF, DHS, DEA, FEMA



Free Agency

PRO CHOICE?

Take back the narrative!

*We believe that People have choices and must be willing to accept the **consequences** – or the **benefits** of those choices!*

Free Agency

PRO CHOICE?

It is NOT the purpose of taxation to force compliance to social agendas, or global schemes.

It IS the purpose of taxation to meet the constitutionally specified needs of the Republic.

GRT v CURRENT

Following the principles of a good tax, What would come closer as a fair and equitable plan?

Current:

- ▶ INCOME TAX
- ▶ PROPERTY TAX
- ▶ PERSONAL PROPERTY TAX
- ▶ OVERLAPPING STATE, COUNTY, CITY SALES TAXES
- ▶ TAX EXEMPTIONS
- ▶ TAX ON SERVICES

GRT – For the BUYER

- ▶ **No TAXES**
 - ▶ **No** Personal Income Tax
 - ▶ **No** Personal Property Tax
 - ▶ **No** Real Property Tax
- ▶ **No FEES**
- ▶ **No ASSESSMENTS**

GRT – For a BUSINESS

- ▶ Pay gross receipts tax, which is included in the price of the product or service and sent into the government on a quarterly basis.

TAXES ELIMINATED

Buyers do not pay taxes directly, because it is included in the price of whatever is purchased, including goods AND services.

Sellers are responsible to remit the Gross Receipts Tax to the government taxing entity.

Compare current state taxes to GRT

- ▶ **Fundamental difference**

- ▶ Preserving consumer freedom of **CHOICE!**
- ▶ Finding most efficient way to collect tax revenue

- ▶ **ETHICS...**

- ▶ **STOP** - the government from liening and taking something that you've paid for;

- ▶ **UNDER GRT, YOU own it!**

- ▶ **For Example:** The purchase price of a house, includes the GRT sent in by the seller. The buyer will never receive a property assessment or tax bill.

GRT Details

- ▶ **Holds the government more accountable to the People they are representing:**
 - ▶ Because it details in the GRT specifically the things the government is supposed to be involved in and what they are not to be involved in (See state constitution)
 - ▶ Makes the government more responsible and transparent because the people get to vote for any change in the rate by majority vote.
 - ▶ Government is not supposed to be making independent choices for the public
 - ▶ The Missouri Constitution and the GRT delineate the things the government is supposed to be involved in and what it is not. The people vote on all projects and special assessments with a mechanism to adjust the GRT rate for two years and the project is paid at completion for two years and if not, it can be reauthorized by a majority vote.

THE BENEFITS

- ▶ **When you buy it – YOU OWN IT!**

- ▶ Frees up disposable income for Citizens
- ▶ Frees up investment income for businesses
- ▶ Attracts business investment
- ▶ Easy to collect; difficult to avoid
- ▶ Applies the principles of a good tax
- ▶ Very powerful tax, because it is a small percentage of volume over a broad base – touches virtually every transaction
- ▶ Promotes financial choices and growth

FIELD TO FORK with GRT – Sales Levels



When a farmer sells his soybeans to the processor, he would pay 3% tax on the total sales.

And the consumer pays the price in the grocery store for the beef.



The processor sells the soybeans to a feed mill and pays 3% tax on the total sales

When the grocer sells the beef, he pays 3% tax



The feed mill mixes the soybeans into cattle feed and sells to a feedlot. They pay 3% tax on the total sales.

The feedlot pays 3% tax on the total sales when they sell their steers to a packing plant.



The packer pays 3% tax on the beef when they sell to a grocer



MINE TO 'MINE' with GRT – Sales Levels



A mining company pays 3% tax on all the iron ore sold to a processor.



The ore processor pays 3% tax on the refined ore that is sold to the steel mill.



The steel mill creates raw steel rods and pays a 3% tax when the rods are sold to the auto manufacturer.



Dealerships pay a 3% tax on the new truck, but the owners don't pay any tax at all besides paying the price charged for the truck.

Auto frames form the basis for new Ford trucks and delivers them to dealerships.

The auto manufacturer takes the raw steel rods and makes them into auto frames.

CASE STUDY: Numbers from One Missouri County

	Total Taxable Sales (2021)
Jackson County	\$13,134,069,328
One-Time 3% Tax	\$394,022,080
5% Tax	\$656,703,466
7% Tax	\$919,384,853
9% Tax	\$1,182,066,240
10% Tax	\$1,313,406,933

In Jackson County, there are currently \$13.1B in taxable sales. This would include about 23% of all the businesses that are in manufacturing or retail trade that would pay sales tax.

But if only a one-time 3% tax were charged on the sales, it would generate **\$394M** in tax revenue.

But if it likely that there would be more 3% fees collected since the products would be sold multiple times.

And taxes could also be collected from the other 77% of the economy that does not pay sales taxes presently.

Services

In Missouri, selling services are taxed when the transaction occurs. Under the Gross Receipts Tax, services would be taxed at 3%. Since there would be no personal property tax, business license fees, income taxes or commercial property taxes, the 3% tax would be the only tax paid.



Potential

According to the Federal Reserve Bank of St. Louis, Economic Research Division, here was the value of gross domestic products for private services in Jackson County, Missouri, for 2021:

\$40,038,358,000

Services are not directly taxed currently in Missouri. If only 3% tax were collected on this amount, here is what the value would be:

\$800,767,000

\$800M.

This is \$40 B!!

<https://fred.stlouisfed.org/series/GDPSEV29095>



The Plan

State of Missouri

Gross Receipts Tax

2024

The Plan

HEADINGS

Section 1. Property, income, all other taxes and fees abolished.

Section 2. Abolished revenues replaced by replacement tax on exchange of goods and services.

Section 3. Abolished local revenues replaced by local replacement tax.

Section 4. State and local replacement tax to be paid on gross by recipient; shall not be added to offered price.

Section 5. Tax exemptions.

Section 6. Gross consideration defined.

Section 7. Penalty for failure to pay tax.

Section 8. Distribution of replacement tax revenue; stabilization fund.

Section 9. Abolition of bonding authority

The Plan

HEADINGS – cont'd.

Section 10. Sources of revenue allowed.

Section 11. Tax required by federal law allowed: vote required under certain conditions.

Section 12. Implementing legislation approved by sixty percent majority of the legislature may take effect upon enactment.

Section 13. Conflicting law superseded.

Section 14. Amendment only by majority vote and by majority of counties.

Section 15. Scope of taxing power.

Section 16. Leadlines.

Section 17. Income tax transition rules.

Section 18. Applicable dates.

Section 19. Affect of partial unconstitutionality.

...and TO THE NUMBERS

Six Assumptions

1. 3% GRT on all goods and services sold in Missouri
2. Overestimated budgets and underestimated revenues
3. Used double Kansas City budget for estimates of all cities
4. Divided counties into five categories based on population averages and applied to each county
5. Used actual budgets of the state where available
6. Services calculated by household

...and TO THE NUMBERS

At 3% revenue will be \$32.6 billion

Budgets for state, counties, cities and schools, is \$30.8 billion at 3% GRT

STRATEGY

How do we implement TAX LIBERTY, the GROSS RECEIPTS TAX in Missouri?

- ▶ Website **taxliberty.org** has been purchased to promote the GRT
 - ▶ Info temporarily on CP website – link and QR code on last slide.
 - ▶ Need help developing Q&A for webpage and eventually, website
 - ▶ Need help with research for state and county finances

CONCLUSION

There has never been a more compelling time or opportunity to strike at the root of tyranny than RIGHT NOW! The GROSS RECEIPTS TAX is not all that we are doing in our urgent labor to UNITE ON THE CONSTITUTION, but it is an opportunity to take the lead on our fight to...

Advance the Cause of Liberty!

The duty is ours, the result is God's.

<https://constitutionparty.com/ready-for-tax-liberty/>

More Information

