

PROPOSITION 202

OFFICIAL TITLE **AN INITIATIVE MEASURE**

AMENDING TITLE 16, CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 6.1; RELATING TO THE VOLUNTARY DECLARATION BY CANDIDATES FOR THE OFFICE OF PRESIDENT OF THE UNITED STATES AND FOR THE UNITED STATES CONGRESS OF THEIR POSITION CONCERNING ELIMINATION OF THE FEDERAL INCOME TAX, ABOLITION OF THE INTERNAL REVENUE SERVICE AND ENACTMENT OF A NATIONAL CONSUMPTION TAX; AND PROVIDING FOR SEVERABILITY.

TEXT OF PROPOSED AMENDMENT

Be it enacted by the people of the State of Arizona:

The following amendments are proposed to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the Governor of the State of Arizona.

SECTION 1. TITLE.

THIS ACT SHALL BE KNOWN, AND MAY BE CITED, AS THE "I.R.S. ELIMINATION PLEDGE ACT OF 1998".

SECTION 2. FINDINGS AND DECLARATION OF PURPOSE.

A. THE PEOPLE OF ARIZONA HAVE A SUBSTANTIAL INTEREST IN ENSURING ITS CITIZENS ARE INFORMED PRIOR TO THE DATE OF EACH PRIMARY AND GENERAL ELECTION ABOUT THE POSITIONS HELD BY CANDIDATES FOR ELECTED PUBLIC OFFICE, BOTH STATE AND FEDERAL, ON ISSUES OF SIGNIFICANCE TO ARIZONA VOTERS. AMONG THE ISSUES OF SIGNIFICANCE TO THE PEOPLE OF ARIZONA IS THE POSITION OF THE CANDIDATES FOR ELECTED FEDERAL OFFICE ON A LEGISLATIVE PROPOSAL TO REPLACE THE FEDERAL INCOME TAX WITH A NATIONAL CONSUMPTION TAX, DEFINED GENERALLY AS A TAX IMPOSED ON THE GROSS RECEIPTS FROM THE RETAIL SALES OF ANY TAXABLE PROPERTY OR SERVICE SOLD IN THE UNITED STATES BUT NOT INCLUDING A TAX CALCULATED AT A FLAT OR FIXED RATE ON PERSONAL OR CORPORATE INCOME, AND THEREBY TO ABOLISH THE INTERNAL REVENUE SERVICE.

B. IT IS THE INTENTION AND DESIRE OF THE PEOPLE OF ARIZONA IN ENACTING THIS MEASURE BY INITIATIVE TO PROVIDE AN EFFECTIVE MEANS OF INFORMING ARIZONA VOTERS ABOUT THE POSITION OF ALL CANDIDATES FOR THE OFFICE OF PRESIDENT OF THE UNITED STATES AND FOR THOSE SEEKING ELECTION TO A SEAT IN THE UNITED STATES SENATE OR HOUSE OF REPRESENTATIVES REPRESENTING THE PEOPLE OF ARIZONA BY REQUESTING A VOLUNTARY DECLARATION FROM EACH SUCH CANDIDATE OF HIS OR HER INTENTION, IF ANY

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THEY HAVE, TO ADVOCATE AND VOTE FOR THE ELIMINATION OF THE EXISTING FEDERAL INCOME TAX AND THE ABOLITION OF THE INTERNAL REVENUE SERVICE THROUGH THE ENACTMENT OF A NATIONAL CONSUMPTION TAX, AND THE DISCLOSURE OF THAT INTENTION ON THE FACE OF THE BALLOT FOR THE ARIZONA PRIMARY AND GENERAL ELECTION UNTIL SUCH A CONSUMPTION TAX MEASURE BECOMES THE LAW OF THE UNITED STATES OF AMERICA.

Title 16, Chapter 4, Arizona Revised Statutes, is amended by adding Article 6.1, to read:

ARTICLE 6.1. VOLUNTARY I.R.S. ELIMINATION PLEDGE

16-502.01 **FORM OF DECLARATION.**

A. ANY PERSON WHO IS A CANDIDATE FOR THE OFFICE OF THE PRESIDENT OF THE UNITED STATES OR FOR SENATE OR HOUSE OF REPRESENTATIVES OF THE UNITED STATES FROM THE STATE OF ARIZONA MAY, BUT NEED NOT, SUBMIT TO THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF ARIZONA NO LATER THAN SIXTY (60) DAYS BEFORE A PRIMARY ELECTION AND NO LATER THAN TWENTY (20) DAYS BEFORE A GENERAL ELECTION AN EXECUTED COPY OF THE I.R.S. ELIMINATION PLEDGE DESCRIBED BELOW. IF A CANDIDATE FOR ANY SUCH OFFICE DOES NOT SUBMIT A DECLARATION IN THE FORM PROVIDED IN THIS SECTION, THE BOARD OF SUPERVISORS OF ANY COUNTY WITHIN THE STATE OF ARIZONA SHALL NOT, FOR THAT REASON, REFUSE TO PLACE THE NAME OF THE CANDIDATE ON THE OFFICIAL BALLOT.

I.R.S. ELIMINATION PLEDGE

PART A: "I, _____, VOLUNTARILY TAKE THE I.R.S. ELIMINATION PLEDGE, AND HEREBY CONFIRM MY PLEDGE IN WRITING.

SIGNATURE OF CANDIDATE

DATE"

BY TAKING THE "I.R.S. ELIMINATION PLEDGE", SUCH CANDIDATE SHALL MEAN THAT, IF ELECTED, HE OR SHE WILL ADVOCATE AND VOTE FOR THE ELIMINATION OF THE FEDERAL INCOME TAX AND THE ABOLITION OF THE INTERNAL REVENUE SERVICE THROUGH THE ENACTMENT OF A NATIONAL CONSUMPTION TAX.

IF THE CANDIDATE HAS EXECUTED THE DECLARATION SET FORTH IN PART A, HE OR SHE MAY, BUT NEED NOT, EXECUTE AND CONCURRENTLY SUBMIT TO THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF ARIZONA THE FOLLOWING VOLUNTARY STATEMENT IN PART B:

PART B: "I, _____, AUTHORIZE AND REQUEST THE BOARD OF SUPERVISORS TO PLACE THE APPLICABLE BALLOT DESIGNATION 'SIGNED THE I.R.S. ELIMINATION PLEDGE' NEXT TO MY NAME ON EVERY ELECTION BALLOT AND IN

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ALL STATE-SPONSORED VOTER EDUCATION PAMPHLETS IN WHICH MY NAME APPEARS AS A CANDIDATE FOR ANY ELECTED FEDERAL OFFICE.

SIGNATURE OF CANDIDATE DATE”

B. IF A CANDIDATE FOR ANY OF THE ELECTED FEDERAL OFFICES DESCRIBED IN THIS MEASURE HAS SUBMITTED AN EXECUTED DECLARATION IN THE FORM SET FORTH IN PART A OF THIS SECTION, AND THAT CANDIDATE IS NOT ELECTED TO THE OFFICE WHICH HE OR SHE SOUGHT, THEN SUCH EXECUTED DECLARATION WILL NOT BE IN EFFECT FOR ANY FUTURE ELECTION. SUCH CANDIDATE MAY SUBMIT AN ADDITIONAL EXECUTED I.R.S. ELIMINATION PLEDGE FOR ANY FUTURE PRIMARY AND, IF APPLICABLE, GENERAL ELECTION.

C. THE BOARD OF SUPERVISORS OF ALL COUNTIES WITHIN THE STATE OF ARIZONA SHALL PLACE ON THAT PART OF THE OFFICIAL BALLOT FOR BOTH THE PRIMARY AND GENERAL ELECTION IMMEDIATELY FOLLOWING THE NAME OF EACH CANDIDATE FOR OFFICE OF PRESIDENT OF THE UNITED STATES, OR FOR ELECTION TO THE UNITED STATES CONGRESS, WHO HAS EXECUTED AND SUBMITTED TO THE ARIZONA SECRETARY OF STATE WITHIN THE TIME HEREIN REQUIRED FOR THE PRIMARY AND, WHERE APPLICABLE, GENERAL ELECTION THE EXECUTED DECLARATIONS SET FORTH IN BOTH PART A AND PART B OF THIS SECTION THE FOLLOWING WORDS: “SIGNED THE I.R.S. ELIMINATION PLEDGE”. IN ADDITION, THE BOARD OF SUPERVISORS AND ARIZONA SECRETARY OF STATE SHALL, AS THEIR RESPECTIVE STATUTORY RESPONSIBILITIES SHALL REQUIRE, PLACE THE WORDS QUOTED IN THE IMMEDIATELY PRECEDING SENTENCE ON THAT PORTION OF ALL COUNTY- AND STATE-SPONSORED VOTER EDUCATION PAMPHLETS IMMEDIATELY FOLLOWING THE NAME OF EACH CANDIDATE FOR EACH OF THE FEDERAL ELECTED OFFICES IDENTIFIED HEREIN WHO HAS EXECUTED AND SUBMITTED BOTH PARTS A AND B OF THIS SECTION AS REQUIRED BY THIS SECTION.

D. NO CANDIDATE FOR ANY OF THE FEDERAL ELECTED OFFICES IDENTIFIED IN THIS MEASURE SHALL HAVE MORE THAN ONE DECLARATION IN EFFECT FOR ANY ELECTED OFFICE AT THE SAME TIME. IN ADDITION, SUCH A CANDIDATE MAY ONLY EXECUTE AND SUBMIT PART B OF THE I.R.S. ELIMINATION PLEDGE IF PART A THEREOF IS OR HAS BEEN EXECUTED AND SUBMITTED TO THE BOARD OF SUPERVISORS FOR THE PRIMARY AND, WHERE APPLICABLE, GENERAL ELECTION.

16-502.02. STANDING

ANY RESIDENT OF THE STATE OF ARIZONA SHALL HAVE STANDING TO DEFEND ITS PROVISIONS IN A COURT OF COMPETENT JURISDICTION.

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16-502.03. SEVERABILITY

IF ANY PROVISION OF THIS MEASURE IS DECLARED INVALID BY A COURT OF COMPETENT JURISDICTION, SUCH INVALIDITY DOES NOT AFFECT OTHER PROVISIONS THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION AND TO THIS END THE PROVISIONS OF THIS MEASURE ARE DECLARED TO BE SEVERABLE.

ANALYSIS BY LEGISLATIVE COUNCIL

(In Compliance With A.R.S. Section 19-124)

Proposition 202 would amend state law to allow, but not require, an Arizona candidate for United States President, the United States Senate or the United States House of Representatives to pledge to advocate and vote for the elimination of the federal income tax and the abolition of the federal Internal Revenue Service through the enactment of a "national consumption tax". A candidate who makes such a pledge would be allowed to have the designation "Signed the I.R.S. Elimination Pledge" placed next to the candidate's name in the voter publicity pamphlet and on the primary and general election ballots.

ARGUMENT "FOR" PROPOSITION 202

ARGUMENT FOR "THE IRS ELIMINATION PLEDGE ACT"

We must replace our outdated and anti-growth tax code. Despite numerous 'reforms,' the tax code is more complex for citizens to comply with than ever.

Most importantly, taxes are just too high! In 1950, the average U.S. household paid \$7,000 in taxes annually, but by 1995 the average had risen to nearly \$20,000 in taxes.

The share of workers' paychecks devoted to federal, state, and local taxes rose from about 23 percent in 1950 to almost 40 percent by 1995. Tax burdens like this discourage savings, investment and work, and are a drag on economic growth.

The IRS also has enormous powers. It can gain access to the most personal financial information of Americans. And, unfortunately, the IRS is one of the most error-prone federal agencies, supplying inaccurate information to taxpayers almost 20 percent of the time.

All of these abuses will continue until we fundamentally change the tax system. Politicians should display their commitment to this issue next to their names on the election ballot. The "IRS Elimination Pledge Act" will make politicians "go public" with their commitment to real reform. Vote Yes on Proposition Number 202.

Matt Salmon
Chairman, Arizonans for Fair Tax Reform
Mesa

ARGUMENT "FOR" PROPOSITION 202

Argument for "The IRS Elimination Pledge Act"

The income tax code allows politicians in Washington to divvy out favors to special interests that ensure their tenure in government. Prior to 1913, the average Member

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of Congress served two terms and the overall Congressional budget was under \$3 million dollars. Today we have over a \$3 trillion deficit with no end to government spending in sight.

Only when the American people have first rights to their own money will Congress restrain its insane spending habits. We are currently being taxed upwards of 60% of our income with a myriad of hidden taxes and fees wrought upon us by Washington. It costs the federal government 65 cents to collect \$1 from the American worker.

The citizens of Arizona have the chance to take the lead by encouraging our political leaders to make the right move and give us real tax reform. We need to return to the indirect method of taxation advocated by our Founding Fathers. It makes good economic sense and will allow Americans to be once again competitive in the foreign market place, while stimulating our own economy, encouraging savings and investments, creating new jobs and opportunities for all our fellow citizens. Most importantly, by eliminating the IRS and income tax we restore our freedom and privacy. I encourage everyone to vote Yes on Proposition 202 “The IRS Elimination Pledge Act” and send the strongest message to Congress that we Arizonans are ready for real tax reform.

Richard D. Mahoney
Treasurer, Arizonans for Fair Tax Reform
Phoenix

ARGUMENT “FOR” PROPOSITION 202

ARGUMENT FOR “THE IRS ELIMINATION PLEDGE ACT”

The income tax and IRS are a national disgrace. The income tax code is so complicated that even people of very modest means need to hire experts to help prepare their taxes. Even IRS agents can’t agree on interpretations of the tax code.

Special interest and large corporate lobbyists convince Congress to deal out allowances and tax breaks, redistributing the taxpayers’ hard-earned money into corporate welfare and big-government boondoggles. Busybody activists push Congress to amend the tax code, “engineering” our behavior to fit their ideals. While they’re spending our money, the average American’s paycheck is leached of roughly 40% of earnings, forcing almost everyone to run in place, on a “paycheck-to-paycheck” treadmill.

Meanwhile, the IRS continues its “reign of terror:” seizing properties and life savings; destroying small businesses; snooping and prying into our private affairs; conducting *Inquisition*-like audits, wherein we are presumed guilty until proven innocent.

We can change all this. The IRS and income tax can be replaced with a tax on the consumption of goods and services, collected by the states (which already collect state sales tax) and forwarded on to Washington. There are numerous proposals for doing this, but they’ll never get a fair hearing. The politicians know the present system gives them the power to control our economic and personal decisions. It’s what enables them to be career politicians.

We must hold the politicians’ feet to the fire. We must make them commit to ridding us of the un-American IRS--in writing--and display this commitment next to their

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names on the election ballot. We must no longer let them get away with empty promises and phony rhetoric. Vote Yes on Proposition Number 202.

Jeffrey A. Singer
Co-Chairman, Arizonans for Fair Tax Reform
Phoenix

ARGUMENT “FOR” PROPOSITION 202

ARGUMENT FOR "THE IRS ELIMINATION PLEDGE ACT"

My husband and I have three young boys. Like most American families, we find ourselves so overburdened by our unfair tax system that we have to work longer and longer hours to make enough “take home” pay to meet our obligations. This means we have to sacrifice precious time with our children--quality time that cannot be replaced, especially during their early formative years. My husband and I are reduced to the roles of two strangers, racing past each other on the way to jobs and errands, while our children spend too much time in the care of babysitters. The tax system is destroying the American family, and as a result, threatens the stability of our civilization.

The 85 year experiment with a tax system that has been corrupted by special interests must come to an end. American households struggle to keep their budgets balanced, while the politicians and special interest groups spend 40% of every dollar working men and women earn. And we have no control over the money we earn. They tell us how much of it we can keep. Meanwhile, nobody controls the special interests. With a consumption tax it's the other way around--we tell the politicians how much of our money they can have, based upon how much money we choose to spend. It's time to take back control over our income. It's time to tell special interests that we won't let the next generation of children be deprived of the nurturing home environment they deserve. Make the politicians commit on tax reform. And have their positions displayed next to their names on the election ballot. Lip service isn't good enough anymore. Vote Yes on Proposition 202. “The IRS Elimination Pledge Act.”

Lori Klein
Executive Director
Citizens for an Alternative Tax System- AZ
Phoenix

ARGUMENT “FOR” PROPOSITION 202

ARGUMENT “FOR” PROPOSITION 202

“The IRS Elimination Pledge Act”

As a tax practitioner I have had a unique opportunity to see the Federal income tax system in action. Honest United States citizens being crushed by an income tax system with more than 17,000 pages of law and regulation. It has been said that the income tax system makes “cheaters” of us all. But more often, the income tax system makes “criminals” of law-abiding citizens who cannot begin to understand the current tax code. Further, individuals and corporations spend countless hours and billions of dollars to try to comply with these complex tax laws.

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The Internal Revenue Service (the “IRS”) is the federal agency given the job of administering the Internal Revenue Code and collecting the revenue generated. The IRS, however, does not itself understand the Internal Revenue Code with its various economic, social, and political agendas. Further, many IRS employees have their own agendas and resort to illegal tactics in violation of taxpayers’ rights. The recent description of IRS abuses are representative of an agency out of control and accountable to no one. That agency needs to be closed down!

Citizens of Arizona have an opportunity to strike a blow for freedom. Freedom from a complex, unfair, burdensome tax system with unreasonable compliance costs. Freedom from a tax system which hides the total tax burden from the taxpayers. Freedom from a tax system which robs taxpayers of more than 60% of their earnings without any choice. And freedom from an oppressive tax collector often operating both outside and above the law, and ignoring taxpayers’ basic rights. A Yes vote for Proposition 202 is a first step to restoring the freedom and right to privacy stolen by the Federal income tax system.

Steven D. Morford, Chairman
Arizonans for Fair Tax Reform
Scottsdale

ARGUMENT “AGAINST” PROPOSITION 202

The Secretary of State did not receive arguments against Proposition 202.

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“for” and “against” arguments.*

BALLOT FORMAT

PROPOSITION 202

**PROPOSED
BY INITIATIVE PETITION**

OFFICIAL TITLE

AMENDING TITLE 16, CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 6.1; RELATING TO THE VOLUNTARY DECLARATION BY CANDIDATES FOR THE OFFICE OF PRESIDENT OF THE UNITED STATES AND FOR THE UNITED STATES CONGRESS OF THEIR POSITION CONCERNING ELIMINATION OF THE FEDERAL INCOME TAX, ABOLITION OF THE INTERNAL REVENUE SERVICE AND ENACTMENT OF A NATIONAL CONSUMPTION TAX; AND PROVIDING FOR SEVERABILITY.

DESCRIPTIVE TITLE

GIVING ARIZONA CANDIDATES FOR FEDERAL OFFICES THE OPTION TO PLEDGE TO SUPPORT AND VOTE FOR ELIMINATION OF THE FEDERAL INCOME TAX AND INTERNAL REVENUE SERVICE THROUGH THE PASSAGE OF A NATIONAL CONSUMPTION TAX; PERMITTING "SIGNED THE I.R.S. ELIMINATION PLEDGE" TO BE SHOWN ON THE BALLOT NEXT TO PLEDGING CANDIDATES' NAMES.

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<p>A "yes" vote shall have the effect of establishing an optional pledge for candidates for federal offices and the words "Signed the I.R.S. Elimination Pledge" shown on the ballot for candidates who sign the pledge.</p>	<p>YES <input type="checkbox"/></p>
<p>A "no" vote shall have the effect of maintaining the current candidacy filing system for federal candidates, which does not include an optional I.R.S. Elimination Pledge.</p>	<p>NO <input type="checkbox"/></p>

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