



**VOTE YOUR BALLOT**

Small Business Service Bureau, Inc. | National Operations Center | Worcester, MA | [www.sbsb.com](http://www.sbsb.com)

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## **Growing U.S. debt, increased spending leave Americans and small business asking, "Where will the money come from?"**

With Health Care Reform at the top of their agenda, Congress' last minute attempts to extend the federal estate tax failed. The result: many promised individual and business tax breaks were not acted upon, leaving key budget issues unresolved for 2010. SBSB is watching closely as White House and Congressional leaders negotiate another as yet unresolved issue: the final provisions of Health Care Reform. What remain to be seen is what the final cost will be, how Americans will pay for this far-reaching legislation, and how much this reform will add to our ever-increasing national debt.

The U.S. debt problem has led opinion leaders on both sides of the political spectrum to call for new ways to lower future deficits and sustain economic growth. In the search for untapped sources of revenue, **proposals for new, broad-based tax legislation** – including the **carbon tax** (first proposed by Al Gore some 17 years ago) and the **consumption tax** (similar to the European Value-added Tax, or VAT) -- are being mentioned in press interviews with politicians and economists alike:

- "(Among other options,) **the U.S. should consider a tax on carbon or a value-added tax** if it can't tackle the deficit by cutting government spending," said **former Federal Reserve Chair Paul Volcker**, who has a chair on the President's Economic Recovery Advisory Board.
- Leonard Burman, co-founder of the Tax Policy Center, suggests that **a 25% VAT could do it all: Pay for health care reform, balance the federal budget and exempt millions of families from the income tax while slashing the top tax rate to 25%.**
- **House speaker Nancy Pelosi** said, "It's fair to look at" the VAT as part of an overhaul of the nation's tax code.
- **Alan Greenspan** called the VAT, "**the least worst way**" to raise revenues.  
*(See below for more on how the VAT and the carbon tax might work.)*



*Are you as concerned as we are about new, U.S. broad-based taxes?  
Tell us what you think about the proposed carbon tax and VAT.*

1. Are you in support of a Value-added Tax (VAT) of 17-25% as an add-on tax to the tax code? **yes no**
2. Are you in support of a new VAT if it were part of a major overhaul of the U.S. tax code as described by Nancy Pelosi? **yes no**
3. Are you in support of a broad-based carbon tax as described by Al Gore and Paul Volcker? **yes no**

**You Have Three Easy Ways to Vote Your Ballot – see reverse.**