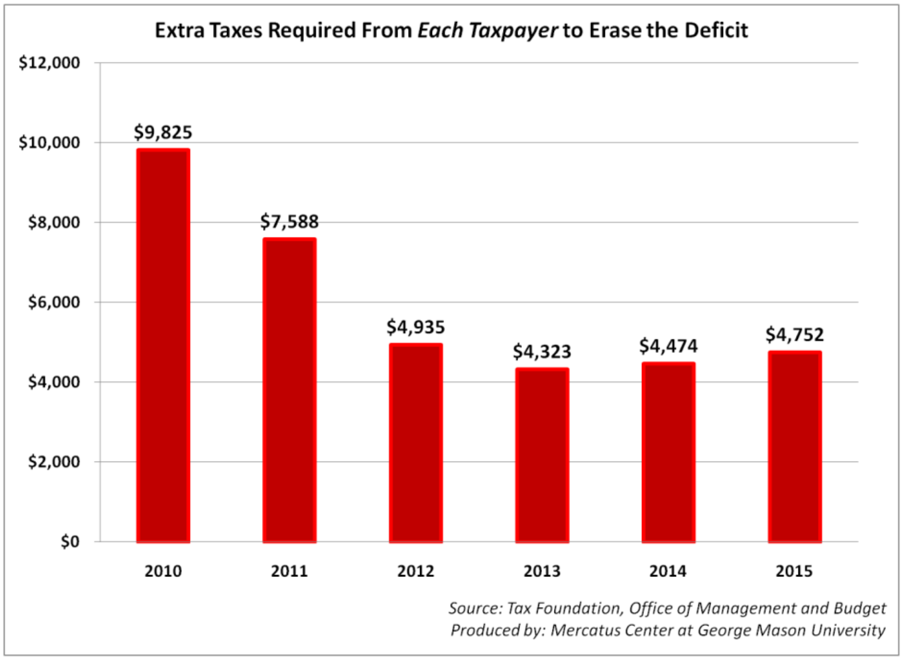

The above chart by Mercatus Center senior research fellow, Veronique de Rugy uses data from the Tax Foundation to examine the *increases* in income taxes that would be necessary to balance the annual federal budget in each of the next 5 years. The amounts shown above are to balance the annual budget deficit, or the amount that spending exceeds taxes each year. Note that while the values of these tax increases trend downward over time (from $9,825 in 2010 to $4,752 in 2015) this decline is based on Office of Management Budget projections, which history shows are quite unreliable.

This year alone, taxes would have to *increase* by an average of *$9,825 per taxpayer* in order to pay for all of the federal government's spending. This represents an increase of more than 200% over the current average tax bill of $7,907. Put differently, in order to finance this year's federal spending, the average American taxpayer would have to pay nearly $18,000 in taxes.

Furthermore, these tax payments do nothing to decrease the $8.5 trillion dollar debt currently held by the United States public. This debt has been adding up year after year through past deficit spending and must ultimately be repaid; repayment can only occur when net revenues exceed net spending. Therefore taxes can be further increased (*on top of* the above increases), or spending can shrink.

It is in the best interests of the American economy that our fiscal issues be addressed in a responsible way that does not cripple taxpayers. Our problem is a spending problem, not a revenue problem, and it is imperative that we tackle it as such.

Learn why even more taxes will likely be required to balance the budget.

To contact Dr. de Rugy, please call (703)993-9458 or email jdebnam@gmu.edu.