

## TAX PAYMENT CHOICE – Shopping around for the best tax deals

Jim Kappler  
Community Metrics, LLC

With all the modern electronic commerce technology that is available today, we should be able shop around for different ways to pay our tax bill, and effectively lower our personal tax burden while driving additional economic growth. With Tax Payment Choice, you could.

When a person or business pays any tax, first credit that tax payment to their personal or business tax assessment. A tax assessment is a tax bill with your name on it and states exactly what you must pay for living in a particular political subdivision. Assessments include property taxes and motor vehicle taxes.

With Tax Payment Choice offer people and businesses a variety of methods to pay their tax assessments, and the flexibility to do so in a way that effectively lowers their personal tax burden. For example, if you owe \$100 for your car tax assessment, would you rather?:

- A. Write a \$100 check directly to the County Treasurer's office.
- B. Pay \$4/week to purchase \$200 worth of lottery tickets (50% goes to finance the govt. budget and 50% goes jackpot payouts) with half the ticket purchase price being transacted as a tax payment that is credited to your tax assessment.
- C. Purchase a couple season tickets to see your high school football team play their home games, with the ticket purchase price being transacted as a tax payment that is credited to your tax assessment.
- D. Pay \$5 for popcorn, hot dog, and a drink at the above mentioned high school football games, with half the purchase price being transacted as a tax payment that is credited to your tax assessment.
- E. Eat at a local restaurant once a week, with \$2 from the meal price being transacted as a tax payment that is credited to your tax assessment.
- F. Eat at another restaurant across the street once a week, with \$3 from the same meal price being transacted as a tax payment that is credited to your tax assessment. Market competition effectively lowers you personal tax burden.
- G. If you own an office supply store, pay a tax payment of \$100 worth of photocopy paper to some local government agency as a Payment in Kind (Paper- in-Lieu of Taxes.) You receive a \$100 credit to your business taxes because that is what was budgeted for that paper. You paid a \$60 wholesale cost for that paper. Your business taxes are effectively lowered by \$40. In other words, you receive a retail value tax credit at wholesale cost.

Since the government agency received the resource directly that it would have otherwise purchased, it does not need to spend tax money. If government does not spend tax money for a resource, then it does not need to collect tax money for that resource from the citizens or businesses residing in its political subdivision.

- H. Some combination of all of the above.

In the above examples, Tax Payment Choice allows you to shop around for tax deals to effectively lower your personal tax burden. It takes the same tax money you pay, and simply diverts your contribution to the government revenue stream through your community in a way that generates additional economic activity on the way to the Tax Collector's office.

With all the commonplace and readily available electronic commerce technology available, we should be able to just quit paying taxes at some point in the year and have an annual tax holiday.

TAX PAYMENT CHOICE WORKSHEET

<p>EXAMPLE: If you owe \$100 for your car tax assessment, would you rather?</p> <p>A. Write a \$100 check directly to the County Treasurer's office?</p> <p>Or, choose one of the following Tax Payment Choices?</p>	<p style="text-align: center;">WHAT WOULD BE THE EFFECT ON?</p>
<p>B. Pay \$4/week to purchase \$200 worth of lottery tickets (50% goes to finance the govt. budget and 50% goes jackpot payouts) with half the ticket purchase price being transacted as a tax payment that is credited to your tax assessment.</p>	<p>Lottery ticket sales.</p>
<p>C. Purchase a couple season tickets to see your high school football team play their home games, with the ticket purchase price being transacted as a tax payment that is credited to your tax assessment.</p>	<p>Game attendance.</p>
<p>D. Pay \$5 for popcorn, hot dog, and a drink at the above mentioned high school football games, with half the purchase price being transacted as a tax payment that is credited to your tax assessment.</p>	<p>Concession sales.</p>
<p>E. Eat at a local restaurant once a week, with \$2 from the meal price being transacted as a tax payment that is credited to your tax assessment.</p>	<p>Restaurant sales.</p>
<p>F. Eat at another restaurant across the street once a week, with \$3 from the same meal price being transacted as a tax payment that is credited to your tax assessment. Market competition effectively lowers you personal tax burden.</p>	<p>Restaurant sales.</p>
<p>G. If you own an office supply store, pay a tax payment of \$100 worth of photocopy paper to some local government agency as a Payment in Kind (Paper- in-Lieu of Taxes.) You receive a \$100 credit to your business taxes because that is what was budgeted for that paper. You paid a \$60 wholesale cost for that paper. Your business taxes are effectively lowered by \$40. In other words, you receive a retail value tax credit at wholesale cost.</p>	<p>Business profits.</p>
<p>H. Some combination of all of the above.</p>	<p>Local economy, govt. budget, your tax burden.</p>