Taxpayer Choice

NFL Policy Debate Topic 2009-2010

Resolved: The United States federal government should substantially increase social services for persons living in poverty in the United States.

Taxpayer Choice

Definitions

This packet will focus only on the system of Taxpayer Choice as developed by Dr. John Goodman. Below is a brief definition of Taxpayer Choice, as well as descriptions of the Charity Tax Credit and the Taxpayer Choice Act so that you know the difference and will be able to distinguish between them.

Taxpayer Choice

In 1996, Dr. John Goodman, president and CEO of the National Center for Policy Analysis, developed a system he refers to as "Taxpayer Choice." It would give taxpayers a reduction on their income liability if they gave to charity. This reduction would be matched dollar-for-dollar and the federal government would reduce social service grants to that state based on the charity giving. Goodman's Taxpayer Choice is intended to be a system that harnesses the efficiency of the private sector while still maintaining aid to those in need.

This will be discussed in more detail later on.

Charity Tax Credit

Another program is that of the charity tax credit (sometimes abbreviated CTC). CTC's are primarily a scaled-down version of Goodman's Taxpayer Choice. Their goal is not to reduce federal social services funding, and they do not match dollar-for-dollar to reduce tax liability. They do reduce liability, but only a certain percentage of the charitable giving. Currently, President Obama has reduced the credit that individuals can receive when donating to charities. Effectively reducing CTC's by $7 billion.

The specifics of the program are discussed in the following study by Mary Waller-

Proposal would utilize TANF money to replace lost state income
Waller, '01

[Mary Waller, creds "Charity Tax Credits: Federal Policy and Three Leading States." The Pew Forum on Religion and Public Life, May 2001. Date downloaded: April 9th, 2009. http://pewforum.org/publications/articles/charitytaxcredits.pdf]

President George W. Bush proposes to expand charitable giving with state charity tax credits for donations to poverty-fighting programs by permitting states to pay for the cost of the credit (in lost revenue from taxes) with the state welfare block grant, Temporary Assistance to Needy Families. "States would be encouraged to provide a credit (of up to 50 percent of the first $500 for individuals and $1,000 for married couples and corporations) against state income or other taxes for contributions to charities addressing poverty and its impact. States would be given the flexibility to offset the costs of a charitable state tax credit by using money from the Temporary Assistance to Needy Families (TANF) program."[1]

Taxpayer Choice Act

The third proposal is the Taxpayer Choice Act. This is not to be confused with Goodman's Taxpayer Choice system, and is not affiliated in any way with the proposal made by Goodman in 1996. The Taxpayer Choice Act's primary purpose would be to eliminate the Alternative Minimum Tax, which affects the middle-upper class. Instead of choosing which charity to fund, the Taxpayer Choice Act would allow taxpayers to choose between two systems of taxing: the Simplified Tax and the existing tax code minus the AMT.

The specifics of the Act are discussed in this summary of an article from Milwaukie Business News:

Taxpayer Choice Act provisions
Ryan, '07

[Paul Ryan, [R-WI] Congressman, "Taxpayer Choice Act is the way to go." Milwaukee Business News, October 16, 2007. Date downloaded: April 9th, 2009. http://www.biztimes.com/blogs/milwaukee-biz-blog/2007/10/16/taxpayer-choice-act-is-the-way-to-go]

Among its highlights, the Taxpayer Choice Act would:

- Eliminate the $841 billion tax increase that would result from the automatic expansion of the AMT, or from other tax increases imposed to "offset" the AMT (Alternative Minimum Tax).
- The Taxpayer Choice Act would prohibit the AMT from being imposed on individual taxpayers in any taxable year after 2006.
- Provide comprehensive reform – establishing a highly simplified alternative to the current individual income tax, one designed to keep federal tax revenue near its historical level (around 18.5%) as a share of the overall economy (GDP).
- Offer taxpayer choice. Under this proposal, taxpayers can choose either to pay their taxes under the Simplified Tax or to continue paying taxes under the existing code. The advantages of the new tax system lie mainly in its simplicity and transparency: it has just two income tax rates (10 percent and 25 percent), a generous standard exemption amount, and no special tax preferences.
- The Simplified Tax system has two income tax rates: 10 percent on taxable income up to $100,000 for joint filers, and $50,000 for single filers; and 25 percent on taxable income above these amounts.
- Under the Simplified Tax, taxable income equals gross income minus a standard deduction and personal exemption. The standard deduction is $25,000 for joint tax filers, $12,500 for single filers. The personal exemption is $3,500. The combination is equivalent to a $39,000 exemption for a family of four. There are no additional credits or itemized deductions.

- Retain the current allocation of tax burdens. Analysis shows that if all taxpayers chose to pay taxes under the Simplified Tax, the distribution of tax burdens among income groups would remain close to what it is today.
- Deter "gaming" the system. This proposal doesn’t permit year-by-year tax code switches (“gaming”) aimed at avoiding legitimate tax liabilities. In general, individuals can choose to pay taxes under the new system at some point within 10 years of the date of enactment. After that initial choice, individuals are allowed one additional changeover between the two tax systems over the course of a lifetime. Individuals are also allowed to change tax systems if a major life event (death, marriage, divorce) alters their filing status. Otherwise the choice is essentially permanent.
- Maintain economic growth-oriented tax relief. The legislation makes permanent the capital gains and dividend tax relief of 2003.

<u>Background: Taxpayer Choice</u>

Taxpayer Choice allows individual taxpayers, rather than politicians, to allocate their welfare tax dollars to any qualified charity.
Goodman, '96

[Dr. John Goodman, President and CEO of the National Center for Policy Analysis, "Taxpayer Choice: A Solution to the Crisis of the Welfare State." NCPA, January 1, 1996. Date downloaded: April 9, 2009. http://www.ncpa.org/commentaries/taxpayer-choice-a-solution-to-the-crisis-of-the-welfare-state]

If Congress and the president agree on a welfare reform bill, chances are it will impose patchwork changes on a system that is defective to the core. A more promising and revolutionary approach is emerging in both the House and the Senate, however. Bills by Senator Dan Coats (R-IN) and Representatives Jim Kolbe (R-AZ) and Joe Knollenberg (R-MI) would radically reform the welfare state by allowing taxpayers to decide where their welfare dollars are spent.

The War on Poverty was launched to create a social safety net. Yet today the private sector provides the real social safety net, helping people whom government programs simply do not reach. Ninety-four percent of all shelters for the homeless in the United States are operated by private sector organizations, and as many as 80 percent of low-income people initially turn to the private sector in times of crisis.

By contrast, government welfare programs seem almost haphazard in getting relief to those who theoretically qualify for it. According to a Census Bureau report:

- Only 43 percent of all poor families receive food stamps, and 23 percent of food-stamp families have incomes above the poverty level.
- Only 19 percent of all poor families live in public housing or receive housing subsidies, and 40 percent of the families receiving housing benefits are not poor.
- Only 41 percent of all poor families are covered by Medicaid, and 35 percent of all Medicaid beneficiaries are not poor.
- Amazingly, 46 percent of all poor families receive no means-tested benefit of any kind from government, while 40 percent of all families who receive at least one means-tested benefit are not poor.

Under government entitlement programs, beneficiaries do not have to explain how they plan to change their behavior or even to show a willingness to change. By contrast, the best private charities often make assistance conditional on behavioral changes. Overall, the private sector has shown that only through hands-on management - often using subjective judgment - can we give aid without encouraging dependency.

There is mounting evidence that the private sector does a better job of getting aid promptly to those who need it most, encouraging self-sufficiency and self-reliance, preserving the family unit and using resources efficiently. Yet the federal government has a monopoly on welfare tax dollars and the most serious defects of the U.S. welfare system all stem from that monopoly.

In the first place, the federal dollars almost never go where the givers would have them go. Although the private sector voluntarily gives $126 billion each year, very few people voluntarily give money to the AFDC or food stamps programs. Furthermore, when spending decisions are made through the political process, powerful special interests invariably influence how the dollars are spent. It is no accident that more than two-thirds of federal welfare spending ends up in the pockets of people who are distinctly not poor. Finally, the public welfare monopoly faces no marketplace competition, it can spend money in wasteful and inefficient ways, fail miserably to achieve its objectives and generally misbehave without fear of losing customers to a competitor.

To remedy these defects, it is time to end the government's monopoly and reclaim our rights as citizens to decide how our welfare tax dollars will be spent.

Why should government dispense welfare in the first place? The traditional economic argument is that spending money to relieve poverty has beneficial social effects beyond the interest of individual givers. In addition, given freedom of choice, some people will try to become "free riders" on the charitable gifts of others and fail to contribute their "fair share."

However, it does not follow that the government should nationalize the charity industry. Government requires licensed drivers to carry automobile liability insurance, but few would argue that it should nationalize auto insurance.

An alternative is taxpayer choice. The basic idea is simple: Government would continue to force people to give their "fair share" through income taxes. However, individual taxpayers rather than politicians would be able to allocate their welfare tax dollars to any qualified charity - public or private. Private charities would compete on an equal footing with government welfare programs for welfare tax dollars, and the market would be free and open. Anyone could start a private charity and qualify for "tax dollar contributions," provided the charity had a social welfare purpose and satisfied certain other minimal requirements.

When taxpayers donated to a qualified charity, they would be permitted to claim a credit on their federal income tax returns. Each dollar donation would reduce a taxpayer's tax liability by one dollar. The taxpayer choice plan is revenue neutral. All tax credits would be exactly offset by reductions in block grants or matching fund payments to the states in which the taxpayers reside.

What organizations would be allowed to receive welfare tax dollars? Most nonprofit organizations (to which people currently can make tax-deductible donations) are classified as 501(c)(3) organizations under the Internal Revenue Service code. These organizations may engage in research, the promotion of art and other activities far beyond the scope of what would be allowed under the taxpayer choice plan.

To implement taxpayer choice, we need a narrower designation - call it 501(c)(3)(+) - for organizations that provide relief and other services to the poor. Organizations with a broader mission such as churches and colleges could form a 501(c)(3)(+) subsidiary. The goal would be to define a "qualified charity" and to assure that all taxpayer choice donations went to traditional welfare activities. Internal Revenue Service scrutiny would be maintained.

How much should taxpayers be allowed to allocate? In general, each taxpayer's share could be calculated by dividing the total federal welfare spending by total personal income tax payments in each state to obtain the fraction of personal federal income taxes taxpayers should be free to allocate.

In 1994, federal personal income taxes amounted to $543 billion. Of the $363 billion spent on 339 federal means-tested programs, the federal government spent about $260 billion, about 48 percent of all personal income taxes (The remaining $103 billion was spent by state and local governments.) Thus if this proposal were fully implemented, individuals in the average state could have allocated up to 48 percent of their personal federal income taxes to qualified private charities, an amount equal to about $2,500 per year per household. If the state government share of the nation's welfare bill were included, taxpayers could allocate about 66 percent of their tax bill (about $3,400 per household) to private charity.

Bills before Congress don't go quite that far. Coats would allow a maximum of $500 per taxpayer ($1,000 for a couple). Kolbe and Knollenberg would limit the amount to $100. Yet these bills are a step in the right direction.

The theory behind taxpayer choice is that individuals are required to devote a percent of their income to the relief of poverty, but they can choose the receiving organization. In other words, government chooses the amount that must be given; taxpayers choose the recipient. The result will be a massive shift of funds from government programs that do more harm than good to private-sector programs that actually work.

More information on Taxpayer Choice can be found in the following locations:

- http://www.ncpa.org/pub/st187
- http://www.debate-central.org/file_download/162/Topic%20Overview%203.31.pdf (pages 46-53)

Possible Plan Text

The United States Federal government will institute a charity tax credit. For every $1 an individual gives to a qualified charity, she/he will get to reduce her/his tax liability by $1. Caps on credits will be proportioned based on Federal block grants to states.

Organizations with a broader mission (to combat poverty) such as churches and colleges could form a 501(c)(3)(+) subsidiary. The goal would be to define a "qualified charity" and to assure that all taxpayer choice donations went to traditional welfare activities. Internal Revenue Service scrutiny would be maintained.

For each dollar given privately in this way, the federal government (and eventually the state governments) will reduce welfare spending in the individual's state by one dollar. What this means is that individuals rather than politicians and government bureaucrats will be allotting welfare dollars. This only applies to contributions that provide social services for persons living in poverty in the United States.

Harm: Government welfare dehumanizes

Bureaucracy makes people a number
Tanner, '96

[Michael Tanner, "Replacing Welfare." CATO Institute, November/December 1996. Date downloaded: April 9th, 2009. http://www.cato.org/pubs/policy_report/cpr-18n6-1.html]

The sheer size of government programs works against individualization. As one welfare case worker lamented, "With 125 cases it's hard to remember that they're all human beings. Sometimes they're just a number." Bureaucracy is a major factor in government welfare programs. For example, a report on welfare in Illinois found procedures requiring "nine forms to process an address change, at least six forms to add or delete a member of a household, and a minimum of six forms to report a change in earnings or employment." All that for just one program.

In her excellent book *Tyranny of Kindness*, Theresa Funiciello, a former welfare mother, describes the dehumanizing world of the government welfare system--a system in which regulations and bureaucracy rule all else. It is a system in which illiterate homeless people with mental illnesses are handed 17-page forms to fill out, women nine months pregnant are told to verify their pregnancies, a woman who was raped is told she is ineligible for benefits because she can't list the baby's father on the required form. It is a world totally unable to adjust to the slightest deviation from the bureaucratic norm.

Harm: Government intervention destroys charity

Private donations fell as public transfers rose in the 1930s
Roberts, '84

[Russell D. Roberts, "A Positive Model of Private Charity and Public Transfers." The Journal of Political Economy, Vol. 92, No. 1 (Feb., 1984), pp. 136-148. Date downloaded: April 9th, 2009. http://ideas.repec.org/a/ucp/jpolec/v92y1984i1p136-48.html]

But the [economic] model [of government redistribution and personal giving] says more than that private charity is zero. It predicts that private charity first became negligible when government first intervened in a significant way in the charity market. Significant government intervention began in the 1930s and has continued to grow over time.' From the data to follow, a stylized picture of the 1930s emerges: private donations fell dramatically as public transfers rose. But they did not fall to zero. Instead, charitable donations underwent a fundamental transformation during the period. They became less concerned with poverty and more concerned with health and social counseling.

<u>Harm: Government intervention destroys charity</u>

Great Depression and a decrease in personal income did not cause drop in giving, only public spending.
Roberts, '84

[Russell D. Roberts, "A Positive Model of Private Charity and Public Transfers." The Journal of Political Economy, Vol. 92, No. 1 (Feb., 1984), pp. 136-148. Date downloaded: April 9th, 2009. http://ideas.repec.org/a/ucp/jpolec/v92y1984i1p136-48.html]

An alternative explanation of these data is that as donors' incomes fell during the Depression, charity decreased and government had to take up the slack. Evidence against this explanation is found in the depression of 1890-94. In 1890-94 public transfers in the city of New York grew only 15 percent. At the same time, expenditure by the AICP grew by a factor of 4 over the 4-year period (Newcomer 1941, p. 654). So, despite a decrease in income, private charity rose substantially when increases in public transfers were relatively small. Even between 1929 and 1932 (see table 2), private expenditures grew sevenfold nationally. Donations to the AICP continued to grow until 1932 (table 3). Only when public spending continued to grow did private spending go to virtually zero.

Harm: Government welfare encourages negative behavior

Welfare, in any form, destroys social order
Conniff '94

[Ruth, "Big Bad Welfare – welfare reform politics and children," The Progressive, August. 17, 2009. Date downloaded: March 24, 2009. http://findarticles.com/p/articles/mi_m1295/is_n8_v58/ai_15667744]

"The act of getting pregnant if you are not prepared to care for a child is not morally neutral, it is a very destructive act," sociologist Charles Murray told the group. "And much as we may sympathize with a young woman who finds herself in that situation ... part of arranging society so that happens as seldom as possible is to impose terrible penalties on that act. The terrible penalties, he explained, include "severe social stigma" and poverty. In the United States, according to Murray, the social order has been disrupted by welfare: "The only way we have lifted the terrible penalties--economic penalties--of having a child out of wedlock is by intervening using the power of the state." In order to set things right, Murray said, we must restore the sanctions on single motherhood. "That means ending welfare in all its forms (even though I, for various reasons, say okay, we'll keep Medicaid).... And I have used the O-word, 'orphanage,' as a symbol for the kind of thing we must think about as an alternative."

Harm: Government welfare destroys social order

AFDC and welfare destabilized the entire social order
Kairys, '98

[David, "The politics of law: a progressive critique, 3rd ed." Basic Books, 1998.. Date downloaded: March 17, 2009. http://books.google.com/books?id=ubvKU4AfJ-YC&pg=PA578&lpg=PA578&dq=afdc+welfare+entitlement&source=bl&ots=khwm_AqGMf&sig=Ny2r8wYUReACsgxYKQjq76PZJd0&hl=en&ei=jri_SfSVCZDQnQfVp6Qw&sa=X&oi=book_result&resnum=1&ct=result]

The establishment of welfare as an entitlement [through AFDC], a right to even a small about of cash for designated individuals from tax revenues, introduced a radically destabilizing concept to U.S. legal discourse in two distinct but related ways. At its most basic level, creating an entitlement that re-distributed income exposed the socially created nature of all background rules of entitlement and exposed their distributive significance – that is, their role in maintaining inequality. In particular, the creation of an entitlement to welfare challenged and disrupted the nineteenth-century formulation of individual autonomy and independence as effort and exchange by equal participants within an unregulated market.

First, the new welfare jurisprudence exposed rights as socially chosen, not naturally given. And if entitlements and constructed, they can be reconstructed. From a technical legal perspective that was hardly news, but the political and cultural significance of that insight was deeply destabilizing. It revealed or, more accurately, resurfaced the fact that all property entitlements and therefore the redistribution of all wealth and power are the contingent product of political decisions. The current distribution of wealth is not inevitable, and indigence is not natural; both are socially and legally constituted.

Harm: Government Welfare is ineffective

Welfare is ineffective in dealing with poverty
Goodman et al, 1994.

[John C. Goodman, Gerald W. Reed, Peter S. Ferrara, John C. Goodman is the president and CEO of the National Center for Policy Analysis, "Why Not Abolish the Welfare State?" National Center for Policy Analysis, October 1994. Date downloaded: May 29, 2009. http://www.ncpa.org/pdfs/st187.pdf]

Unfortunately, rules written in Washington are tragically inadequate to take account of the differences in attitude and circumstance of the millions of recipients of this money. In the very act of helping some people, federal welfare programs create perverse incentives for others. Scholarly studies show that the welfare system discourages work and encourages dependency, single motherhood and the breakup of families. The underclass - replete with crime and other antisocial behavior - is subsidized and sustained by the welfare state. Even when the welfare system achieves good results, it does so incompetently.

A humane welfare system is one that gets aid first to people who need it most. Yet one of the most astonishing and little-known facts about the welfare state is what a miserable job it does in pursuing this goal. According to a government report:

- Only 41 percent of all poverty families receive food stamps, and 28 percent of food-stamp families have incomes above the poverty leveL
- Only 23 percent of all poverty families live in public housing or receive housing subsidies, and yet almost half of the families receiving housing benefits are not poor.
- Only 40 percent of all poverty families are covered by Medicaid; yet 40 percent of all Medicaid beneficiaries are not poor.
- *Amazingly,* 41 *percent of all poverty families receive no means-tested benefit of any kind from government;* yet more than 50 percent of all families who receive at least one means-tested benefit are not poor.

Harm: Government welfare breeds entitlement

Welfare breeds entitlement, leads to revolts
Bylund, '06

[Per Bylund, "How the Welfare State Corrupted Sweden," Ludwig von Mises Institute, May 31. . Date downloaded: March 17, 2009. http://mises.org/story/2190]

The political change as the children of the welfare state grew up and started taking part in politics was massive. The rather communist student revolts of 1968 were probably the peak of this radical generation demanding more for themselves through state redistribution; they claimed no personal responsibility for their lives, nor ever thought of having to pitch in themselves. "I'm in need," they argued, and from that claim they directly inferred a right to satisfy that need — be it food, shelter, or a new car. Whereas my parents mysteriously seem to have inherited much of the "older" form of morality, most people of their age, and especially those younger, are paradigmatically different from their parents' generation. They are children of the welfare state and are fully aware of the social security benefits to which they have a "right." They don't reflect on where these benefits come from, but are skeptical towards politicians whom they believe might take them away. "Change" quickly became a bad word, since it necessarily implies a change to the system on which people are parasitically dependent.

Harm: Government welfare threatens civil freedom

Welfare will eventually threaten our economic prosperity and civil freedom
Baskerville '08

[Stephen, Research Fellow with the Independent Institute, Associate Professor of Government at Patrick Henry College, and former President of the American Coalition for Fathers of Children. He holds a Ph.D. from the London School of Economics, and he has been a Fellow at the Howard Center for Family, Religion, and Society; Senior Lecturer of Political Science at Howard University, and as Chairman and Senior Lecturer in the Department of Politics and European Studies at Palacky University in the Czech Republic., "From Welfare State to Police State," Independent Review, Vol. 12, Num 3, Winter. . Date downloaded: March 18, 2009. http://www.independent.org/publications/tir/article.asp?a=668]

It is not called the welfare "state" for nothing. Unnoticed by reformers and even more striking than the economic effects have been subtle but far-reaching political developments. These developments involve the quiet metamorphosis of welfare from simply a system of public assistance into nothing less than a miniature penal apparatus, replete with its own tribunals, prosecutors, police, and punishments: juvenile and family courts, "matrimonial" lawyers, child protective services, domestic violence units, child-support enforcement agents, and other elements. Originally created to treat ills endemic to low-income, single-parent homes, this machinery is increasingly intervening with police actions in middle-class families. Kafkaesque in its logic, this machinery lends plausibility to the warnings, most famously by F. A. Hayek in *The Road to Serfdom* (1944), that socialist and welfare-state principles would eventually threaten not only economic prosperity, but also civil freedom.

Harm: Government welfare promotes violence between countries

Welfare leads to conflict between capitalistic countries
Smith and Little '06

[Richard and Michael, creds, Perspectives on World Politics, (Routledge 2006), pp. 356.. Date downloaded: March 18, 2009. http://books.google.com/books?id=tWZN2Yos2mEC&dq=welfare+leads+to+war&source=gbs_summary_s&cad=0]

One could even argue that the advent of national welfare states has accentuated the economic conflicts among capitalistic societies. The new commitment to the capitalist welfare state to full employment and domestic economic well-being causes it to substitute interventionist policies for the free play of market forces and hereby bring it into conflict with the policies of other states pursuing a similar set of economic goals. Welfare states are potentially highly nationalistic because governments have become accountable to their citizenry for the elimination of economic suffering; sometimes the best way to achieve this goal is to pass on economic difficulties to other societies. In times of economic crisis, public pressures encourage national governments to shift the burdens of unemployment and economic adjustment to other societies; this, economic and interstate competition through the market mechanism subtly shifts to interstate conflict for economic and political advantage. This nationalistic struggle to gain economic advantage and to shift the costs of economic distress to others again threatens the future of international capitalism.

Harm: Government welfare promotes war

The welfare state's foundation is in violence, leads to war
Anderson '02

[William, teaches economics at Frostburg State University in Maryland, and is an adjunct scholar of the Ludwig von Mises Institute., "The Progressives' 100 Year War," Lew Rockwell, February 7, 2002. Date downloaded: March 18, 2009. http://www.lewrockwell.com/anderson/anderson48.html]

Yet, while wars might benefit progressivist movements, how does one make the most important link, that being that progressivism itself *leads* to war? Why is the warfare state a necessary ally of the welfare state? After all, most self-styled peace activists openly support the welfare state while rejecting the warfare state, yet I am also including them into the mix – albeit without their permission and certainly over their sure objections. The reason that I do this is that both states require that governments engage in violence, whether it be open like in warfare or whether it be implied, as in welfare. Contrary to popular belief, the welfare state is not based upon sharing, caring, and civilized behavior. If that were so, no coercion would be needed to make the system work. Instead, we implicitly understand that the welfare state is at its roots a police state, one that depends upon forcible extraction of wealth and property from some in order to give to those who have received favor from political authorities. Furthermore, the ideology of the welfare state – which is basically socialism at the core – is expansionist and messianic, something that encourages that it be spread abroad. Thus, we saw the French Revolution morph into the Napoleonic conquests and the aggressiveness of the communist regimes of the 20th Century.

Harm: Government welfare is coercive

Welfare is government violence
Johnson, '94

[Thomas L. Johnson, "Christian Charity versus Government Welfare." Future of Freedom Foundation, December 1994. Date downloaded: April 9th, 2009. http://www.fff.org/freedom/1294e.asp]

A government, by its nature, can only act by means of force. The first act of a government is a legislative one — the passing of laws — followed by the carrying out of these rules of social behavior by the executive and judicial branches. The government possesses a legal monopoly in the use of force in executing its duty of seeing that citizens obey the law, and in punishing them if they do not. Thus, the essence of government is coercion. Force and free will are opposites. Government welfare programs which are executed by means of law and the enforcement of this law, i.e., by the threat or application of force, are diametrically opposed to Christian acts of charity which must be performed by an act of the individual will.

Harm: Welfare is currently unable to meet needs

Needs of homeless people outstrip resources of centers and agencies in status quo
Abrams, '02

[Stacey Abrams, "Can a Charity Tax Credit Help the Poor?." American Prospect, November 30, 2002. Date downloaded: April 13th, 2009. http://www.prospect.org/cs/articles?article=can_a_charity_tax_credit_help_the_poor]

The crisis is not limited to food banks. Even as the number of clients seeking beds grows by the day (despite a growing economy and near record-low unemployment), government subsidies for most homeless shelters are dwindling. In 1996, the National Law Center on Homelessness and Poverty estimated a homeless population of more than 750,000 each night and a projected annual increase of 5 percent each year. Yet already last year an average of 24 percent of requests by homeless families were denied due to lack of resources, according to the U.S. Conference of Mayors. Of 59 cities receiving HUD support for homelessness programs, 76 percent have a shortage of emergency shelter beds and transitional housing slots. A study by the National Welfare Monitoring and Advocacy Partnership found that one in six former welfare recipients in South Carolina cannot pay for food after leaving the rolls and one in four cannot pay housing costs. In Wisconsin, welfare reform's touted vanguard state, shelters reported a 69 percent increase in the number of people turned away in 1996.

Harm: Poverty is still rising

Child poverty still rising despite raising national incomes
Mather, 2008.

[Mark Mather, associate vice president of Domestic Programs at Pollution Reference Bureau, "U.S. Child Poverty Rates Increase Despite Rising National Incomes." Population Reference Bureau, August 2008. Date downloaded: May 29, 2009. http://www.prb.org/Articles/2008/uschildpovertyrates.aspx]

Household incomes increased in the United States for the third straight year, yet the poverty rate has not budged, according to new estimates from the U.S. Census Bureau's Current Population Survey. The child poverty rate reached its highest level since 1998.

Most of the information in the latest Census Bureau release was good news: Median household income increased (to $50,233); income inequality declined slightly; and the number of uninsured children dropped from 8.7 million in 2006 to 8.1 million in 2007, a 7 percent decrease.

But the latest census data also showed an increase in child poverty, from 17 percent to 18 percent between 2006 and 2007. Most of this increase was driven by worsening economic conditions among children in African American and Latino families. In 2007, more than a third of black children and over a quarter of Latino children were poor, compared to 1 in 10 non-Hispanic white children.

The data also showed a growing gap in economic well-being between the population under age 18 and those ages 65 and older. In 2007, the child poverty rate (18 percent) was 8 percentage points higher than the poverty rate for elderly Americans, up from a 6 percentage-point gap in 2000.

Harm: Poverty negatively affects health

Poverty reduces lifespan, health
GAO, '07

[" POVERTY IN AMERICA: Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate." Government Accountability Office, January 2007. Date downloaded: April 13th, 2009. http://www.gao.gov/products/GAO-07-344]

Health outcomes are worse for individuals with low incomes than for their more affluent counterparts. Lower-income individuals experience higher rates of chronic illness, disease, and disabilities, and also die younger than those who have higher incomes. As reported by the National Center on Health Statistics, individuals living in poverty are more likely than their affluent counterparts to experience fair or poor health, or suffer from conditions that limit their everyday activities (fig.1). They also report higher rates of chronic conditions such as hypertension, high blood pressure, and elevated serum cholesterol, which can be predictors of more acute conditions in the future. Life expectancies for individuals in poor families as compared to nonpoor families also differ significantly. One study showed that individuals with low incomes had life expectancies 25 percent lower than those with higher incomes.

Harm: Poverty negatively effects brain function

Poverty decreases brain function in children
Toppo, '08

[Greg Toppo, "Study: Poverty dramatically affects children's brains." USA Today, December 10, 2008. Date downloaded: April 13th, 2009. http://www.usatoday.com/news/health/2008-12-07-childrens-brains_N.htm]

The study [by UC-Berkeley] adds to a growing body of evidence that shows how poverty afflicts children's brains. Researchers have long pointed to the ravages of malnutrition, stress, illiteracy and toxic environments in low-income children's lives. Research has shown that the neural systems of poor children develop differently from those of middle-class children, affecting language development and "executive function," or the ability to plan, remember details and pay attention in school.

Such deficiencies are reversible through intensive intervention such as focused lessons and games that encourage children to think out loud or use executive function.

Harm: Poverty increases crime rates

Poverty leads to increase in crime
GAO, '07

[" POVERTY IN AMERICA: Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate." Government Accountability Office, January 2007. Date downloaded: April 13th, 2009. http://www.gao.gov/products/GAO-07-344]

Just as research has established a link between poverty and adverse health outcomes, evidence suggests a link between poverty and crime. Economic theory predicts that low wages or unemployment makes crime more attractive, even with the risks of arrest and incarceration, because of lower returns to an individual through legal activities. While more mixed, empirical research provides support for this. For example, one study shows that higher levels of unemployment are associated with higher levels of property crime, but is less conclusive in predicting violent crime. Another study has shown that both wages and unemployment affect crime, but that wages play a larger role.

Harm: Poverty affects opportunity

Poverty reduces opportunity for impoverished
GAO, '07

[" POVERTY IN AMERICA: Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate." Government Accountability Office, January 2007. Date downloaded: April 13th, 2009. http://www.gao.gov/products/GAO-07-344]

Regardless of whether poverty is a cause or an effect, the conditions associated with poverty limit the ability of low-income individuals to develop the skills, abilities, knowledge, and habits necessary to fully participate in the labor force, in turn, leads to lower incomes. According to 2000 Census data, people aged 20-64 with income above the poverty line in 1999 were almost twice as likely to be employed as compared to those with incomes below it. Some of the reasons for these outcomes include educational attainment and health status.

Harm: Poverty reduces national economic growth

Poverty reduces national economic growth
GAO, '07

["POVERTY IN AMERICA: Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate." Government Accountability Office, January 2007. Date downloaded: April 13th, 2009. http://www.gao.gov/products/GAO-07-344]

The economic literature suggests that poverty not only affects individuals but can also create larger challenges for economic growth. Traditionally, research has focused on the importance of economic growth for generating rising living standards and alleviating poverty, but more recently it has examined the reverse, the impact of poverty on economic growth. In the United States, poverty can impact economic growth by affecting the accumulation of human capital and rates of crime and social unrest. While the empirical research is limited, it points to the negative association between poverty and economic growth consistent with the theoretical literature's conclusion that higher rates of poverty can result in lower rates of growth.

Harm: Poverty affects educational opportunities

Poverty decreases educational opportunities
Ferguson, et al., 2007

[HB Ferguson, PhD, S Bovaird, MPH, and MP Mueller, PhD, "The impact of poverty on educational outcomes for children." Paediatr Child Health, October 2007. Date downloaded: April 13th, 2009. http://www.pubmedcentral.nih.gov/articlerender.fcgi?artid=2528798]

Educational outcomes are one of the key areas influenced by family incomes. Children from low-income families often start school already behind their peers who come from more affluent families, as shown in measures of school readiness. The incidence, depth, duration and timing of poverty all influence a child's educational attainment, along with community characteristics and social networks.

Harm: Poverty decreases future earnings

Poverty decreases future earnings
Holzer, et al., '07

[Harry J. Holzer, Georgetown University and the Urban Institute; Diane Whitmore Schanzenbach, University of Chicago;,Greg J. Duncan, Northwestern University; Jens Ludwig, Georgetown University and National Bureau of Economic Research, "The Economic Costs of Poverty in the United States: Subsequent Effects of Children Growing Up Poor." Center for American Progress, January 24, 2007 Date downloaded: April 13th, 2009. http://npc.umich.edu/publications/u/working_paper07-04.pdf]

Most arguments for reducing poverty in the U.S., especially among children, rest on a *moral* case for doing so—one that emphasizes the unfairness of child poverty, and how it runs counter to our national creed of equal opportunity for all. But there is also an *economic* case for reducing child poverty. When children grow up in poverty, they are somewhat more likely than non-poor children to have low earnings as adults, which in turn reflects lower workforce productivity. They are also somewhat more likely to engage in crime (though that's not the case for the vast majority) and to have poor health later in life. Their reduced productive activity generates a direct loss of goods and services to the U.S. economy.

Harm: Poverty decreases future earnings

Childhood poverty reduces future earnings by 30-40%
Holzer, et al., '07

[Harry J. Holzer, Georgetown University and the Urban Institute; Diane Whitmore Schanzenbach, University of Chicago;,Greg J. Duncan, Northwestern University; Jens Ludwig, Georgetown University and National Bureau of Economic Research, "The Economic Costs of Poverty in the United States: Subsequent Effects of Children Growing Up Poor." Center for American Progress, January 24, 2007 Date downloaded: April 13th, 2009. http://npc.umich.edu/publications/u/working_paper07-04.pdf]

What do these studies show? Of the most recent studies[10] that explicitly link the earnings of children to their parents' family income, Mayer (1997) and Corcoran and Adams (1997) show that doubling the incomes of families below or at the poverty line raises the earnings of their sons by 30-40 percent— with the larger estimates generated when longer periods of time are available for measuring sons' adult earnings, and without controls for parental education and other personal characteristics.[11] Allowing family incomes to rise to the national median, rather than just to 1.5 or twice the poverty line, generates effects that are roughly twice as large (as median household income is almost three times the poverty line for a family of four and more than three times the average income of a poor family).[12]

Harm: Poverty is linked to poor education

Completing a bachelor's program is more closely linked to high socioeconomic status than achievement level.

National Center for Education Statistics, '03

[John Wirt, Susan Choy, Stephen Provasnik, Patrick Rooney, Anindita Sen, Richard Tobin, Barbara Kridl, Managing Editor, Andrea Livingston, Senior Editor, "The Condition of Education: 2003." National Center for Education Statistics, Department of Education, June 2003. Date downloaded: April 13th, 2009. http://nces.ed.gov/pubs2003/2003067.pdf]

Overall, about three-quarters of 1988 8th-graders participated in some postsecondary education by 2000: 47 percent earned some college credits but less than a bachelor's degree, and 30 percent completed a bachelor's or higher degree (see supplemental table 22-1). Postsecondary attainment varied with the student's background characteristics, but high achievement and challenging coursework partially mitigated a disadvantaged background.

The likelihood of completing a bachelor's or higher degree increased with students' socioeconomic status (SES): 7 percent of low-SES students, 24 percent of middle-SES students, and 60 percent of high-SES students completed such a degree by 2000. Among high-achieving students, attaining a college degree still increased along with SES. For example, among students who scored in the highest mathematics test quartile in 8th grade, the likelihood of earning a bachelor's or higher degree increased with SES, from 29 percent among those from low-SES families to 47 percent among those in the middle two quartiles, and to 74 percent among those with the highest SES (see supplemental table 22-2). A similar pattern applied to students who had studied algebra in 8th grade. Although SES is related to attainment, strong academic preparation and achievement in school increase the likelihood that low-SES students, especially, will finish college.

Among low-SES students, high achievers on 8th-grade mathematics tests were about 10 times more likely than low achievers to complete a degree by 2000. In contrast, among high-SES students, high achievers were only 2.4 times more likely than low achievers to complete a degree. Similarly, low-SES students who had studied calculus in high school were about 10 times more likely than those who had not studied calculus to have earned at least a bachelor's degree by 2000. In contrast, middle- SES students were only 3 times more likely to complete a degree—and high-SES students 1.7 times more likely—if they had studied calculus in high school. Achieving high test scores and studying calculus were associated with higher rates of college completion, and the association was stronger for low-SES students than for others in this cohort.

Harm: Charities are suffering in status quo

Recession hurting charities in status quo
Field, '08

[Anne Field, "Bad Times for Charities?." Trusts and Estates, October 27, 2008. Date downloaded: April 13th, 2009. http://trustsandestates.com/wealth_watch/trusts_estates_charities_1027/]

Of all the many losers in the current financial maelstrom, charities and charitable giving undoubtedly are near the top of the list. As the assets of foundations and individual donors plummet and credit gets ever-tighter, one inevitable victim will be the ability to make charitable contributions. "We're in for a very dry stretch," says Benjamin Pierce, executive director of the Vanguard Charitable Endowment Program in Malvern, Pa.

The economic crisis also hit at a particularly vulnerable period—as most charitable giving happens in the last quarter. "This is the worst time of year for charities" to have donors so worried about their finances, says David Leibell, a partner with Wiggin and Dana, a Stamford, Conn. law firm., who specializes in trusts and estates.

Harm: Government spending is harmful

Public spending crowds out private, hurts economy
Westbury and Stein, '09

[Brian S. Wesbury is chief economist and Robert Stein senior economist at First Trust Advisors in Wheaton, Ill. "Government Gone Wild." Forbes magazine, March 31, 2009. Date downloaded: April 13th, 2009. http://www.forbes.com/2009/03/30/stimulus-budget-deficit-opinions-columnists-bailout-employment.html]

But all of this is just a pipe dream. Government spending does not cause a net increase in jobs over the long run; it costs jobs. Every dollar the government spends is either taxed or borrowed from the private sector, which means it "crowds out" private sector job creation. And because government spending is less efficient than private sector spending, the economy actually grows more slowly in the long run as the government gets bigger.

Link: Giving increases happiness

Charity increases happiness of the donors
Messmore, '06

[Ryan Messmore in the William E. Simon Fellow in the DeVos Center for Religion and Civil Society at The Heritage Foundation. "Charitable Giving Benefits Giver As Much as Receiver." Heritage Foundation, December 23, 2006. Date downloaded: April 13th, 2009. http://www.heritage.org/press/commentary/ed122306a.cfm]

Just as significant is the way that giving and receiving gifts shape our moral vision. Given the numerous "spillover effects" of private giving for larger society, government has a strong interest in ordering society in such a way that charity can flourish.

Researcher Arthur Brooks examines the benefits of giving in his new book, "Who Really Cares: The Surprising Truth about Compassionate Conservatism." In terms of physical health and happiness, Brooks notes that people who give more charitably are 43 percent more likely to say they are "very happy" than non-givers, while non-givers are three and a half times more likely than givers to report they are "not happy at all."

In addition, several large studies have also found that senior citizens who volunteer have a 40 percent lower probability of dying in a given year than people of the same age and health level.

Giving also increases personal and well as national prosperity. Pointing to a survey conducted in 2000 that controlled for education, age, race and all the other outside explanations for giving and income increases, Brooks reports that a dollar donated to charity was associated with $4.35 in extra income.

Solvency: The private sector is more effective

Private sector works better
Goodman, '96

[Dr. John Goodman, President and CEO of the National Center for Policy Analysis, "Taxpayer Choice: A Solution to the Crisis of the Welfare State." NCPA, January 1, 1996. Date downloaded: April 9, 2009. http://www.ncpa.org/commentaries/taxpayer-choice-a-solution-to-the-crisis-of-the-welfare-state]

Under government entitlement programs, beneficiaries do not have to explain how they plan to change their behavior or even to show a willingness to change. By contrast, the best private charities often make assistance conditional on behavioral changes. Overall, the private sector has shown that only through hands-on management - often using subjective judgment - can we give aid without encouraging dependency.

There is mounting evidence that the private sector does a better job of getting aid promptly to those who need it most, encouraging self-sufficiency and self-reliance, preserving the family unit and using resources efficiently. Yet the federal government has a monopoly on welfare tax dollars and the most serious defects of the U.S. welfare system all stem from that monopoly.

Solvency: The majority of the poor turn to the private sector anyway

Those in need turn to private organizations more frequently than public
Goodman et al, 1994.

[John C. Goodman, Gerald W. Reed, Peter S. Ferrara, John C. Goodman is the president and CEO of the National Center for Policy Analysis, "Why Not Abolish the Welfare State?" National Center for Policy Analysis, October 1994. Date downloaded: May 29, 2009. http://www.ncpa.org/pdfs/st187.pdf]

The War on Poverty was started to create a social safety net - to help people who failed to get help from the private sector. Yet it is becoming increasingly obvious that today the private sector provides the real social safety net by helping people that govel11ment programs simply do not reach.

- Ninety-four percent of all shelters for the homeless in the U.S. are operated by private sector organizations.
- Studies show that as many as 80 percent of low-income people turn to the private sector first when facing a crisis.

Solvency: Individuals can better decide which charitable causes to support

Individuals can optimize poverty alleviation
Ebeling, '96

[Richard Ebeling, Ludwig von Mises Professor of Economics at Hillsdale College, "If Liberty Mattered — Once More, a Presidential Candidate's Press Conference, Part 7." The Future of Freedom Foundation, September 1996. Date downloaded: April 9th, 2009. http://www.fff.org/freedom/0996b.asp]

Each individual is not only the *best* judge, he is the *only* judge of which charitable causes — if any — are worth supporting. There is no value scale other than the individual's for deciding what "share" — if any — of the income he has earned in the marketplace should go to which charities and for what specific purposes. And there can be no morality in society other than through each individual's free choices and actions.

Taxpayer choice can be maximized by eliminating both the welfare state and the taxes upon which it is maintained. Then, the taxpayer will have been transformed into the free man. And from the actions of free men will come the real moral results of good works.

Solvency: Increased charity lessens dependence

Charity allows America to forgo government
Messmore, '06

[Ryan Messmore in the William E. Simon Fellow in the DeVos Center for Religion and Civil Society at The Heritage Foundation. "Charitable Giving Benefits Giver As Much as Receiver." Heritage Foundation, December 23, 2006. Date downloaded: April 13th, 2009. http://www.heritage.org/press/commentary/ed122306a.cfm]

Without charity, Americans would become more dependent on impersonal government for a vast array of services. This, in turn, would foster a social relationship where one side perceives aid as a forced penalty rather than a voluntary offering and the other side views aid as a right rather than a gift.

Impersonal government checks can foster a mentality that undercuts the motivation to feel or give gratitude when received. In contrast, gifts create a kind of momentum of good will, which has the potential to bind both giver and receiver into a more personal relationship. Interestingly, Brooks found that people are much more likely to give away money they earn than money they receive from the government. Voluntary giving and receiving beget more charitable ways of seeing and living in the world.

In sum, these financial and non-financial advantages demonstrate that giving is good not only for the receiver, but also for the giver -- as well as the giving society. Government therefore has an obligation to make policy that is conducive to Americans' charitable spirit. Policy should clear the way for citizens to act upon their generosity with ease. Government should not make it difficult to engage in charitable and civic activities through burdensome legal requirements, punitive mandatory expenditures, bureaucratic red tape and controversial hiring practices.

Solvency: Reducing government spending will increase charitable donations

Reducing government spending will increase private contributions
Matthews, et al., 1998

[Merrill Matthews Jr, Peter S. Barwick, Grace-Marie Arnett, Stanley W. Carlson-Thies and Robert Rector, "Charity Tax Credits--and Debits." Policy Review, January/February 1998. Date downloaded: April 9th, 2009. http://www.hoover.org/publications/policyreview/3566647.html]

If people were able to direct their tax dollars to private charities, they would scale back their overall commitment to aiding the poor.

In fact, just the opposite would likely occur. Most economists recognize what is called the "crowding out" effect: When government spending increases, private spending declines. In a 1984 article in the *Journal of Political Economy*, Russell Roberts found that private relief expenditures rose steadily in the United States until 1932, and declined steadily thereafter as government welfare spending rose. An article in the *National Tax Journal* that same year found that cuts in government spending resulted in increased interest in private contributions. Thus it is entirely possible that reducing government welfare spending through a tax credit for charitable giving might result in an increase in total spending on the needy.

Solvency: Taxes prevent people from being able to give

Without the government, private assistance would skyrocket
Rockwell, '95

[Llewellyn H. Rockwell, author of Left, Right, and the State, Speaking of Liberty, and the Economics of Liberty, "Welfare Reform: True and False." Mises Institute, December 1995. Date downloaded: April 9th, 2009. http://mises.org/freemarket_detail.aspx?control=210]

The point is not the rate of growth of spending, but the destruction that taxes and spending are causing right now. If this destruction were ended immediately, masses of people would be reintroduced to the work ethic, taxpayers would have more money in their pockets, and voluntary spending on private charity would go up. Until then, poverty, sloth, and bureaucracy will continue to be subsidized by you and me.

People would love the opportunity to give more to actually help the less fortunate, especially in their own families and communities. But taxes, including Social Security, are draining people's discretionary income and creating a disincentive to give. A real welfare reform would address this problem first.

Solvency: Private charities are able to individualize treatment

Private charities are more effective
Tanner, '96

[Michael Tanner, Michael Tanner is director of health and welfare studies at the Cato Institute and author of The End of Welfare: Fighting Poverty in the Civil Society , "Replacing Welfare." CATO, November/December 1996. Date Downloaded: April 9th, 2009. http://www.cato.org/pubs/policy_report/cpr-18n6-1.html]

Private charities have been more successful than government welfare for several reasons. First, private charities are able to individualize their approach to the circumstances of poor people in ways that governments can never do. Government regulations must be designed to treat all similarly situated recipients alike. Glenn C. Loury of Boston University explains the difference between welfare and private charities on that point. "Because citizens have due process rights which cannot be fully abrogated . . . public judgments must be made in a manner that can be defended after the fact, sometimes even in court." The result is that most government programs rely on the simple provision of cash or other goods and services without any attempt to differentiate between the needs of recipients.

Solvency: Decentralization of welfare is needed for it to succeed

Welfare must be decentralized to succeed
LeRoy and Clemens, '03

[Sylvia and Jason, Sylvia LeRoy is a policy analyst and Jason Clemens is Director of Fiscal Studies at the Fraser Institute in Canada, "Ending Welfare as We Know It: Lessons From Canada," National Center for Policy Analysis, September 25. Date downloaded: March 17, 2009. http://www.ncpa.org/pub/ba457.]

Currently, the Canadian federal government's involvement in welfare is restricted to determining the size of block transfers apportioned to the provinces. However, government accountability and the delivery of social programs would improve if Canada abolished the system of federal cash transfers to the provinces altogether and reduced federal taxes proportionately. Provinces could raise their own revenues to pay for the programs they deliver. This would unleash the potential of provinces to serve as laboratories of innovation in welfare administration and delivery. The conditions attached to federal welfare funds ultimately reinforce the taxing and spending power of the central government. That is true even if, as in the United States, the federal requirements include the desirable goals of raising caseload reduction targets or strengthening work requirements. In the United States, individual states have demonstrated the benefits of local experimentation and innovation in welfare policy. In Canada, provinces that have not undertaken reforms must reconsider the costs of their social programs. In both countries, if the objective of welfare reform is to rein in the welfare state, not empower it, the next step is to greater decentralization.

AFF: The Taxpayer Choice Plan would allow for the expansion of charities, and would allow more people to be helped.

1. Since significantly more money would be filtered into charities under the Taxpayer Choice Plan, and since the public gets to select charities based on their record the most effective charities would expand significantly, allowing them to help more people.
2. Since the majority of the poor turn to private charities in their time of need (see page36), more people would be helped.
3. Many do not turn to welfare because it is not actively advertized and they do not know that they qualify. Private charities position themselves in poverty stricken areas of town and actively advertise their services, so more people are aware that they can get help.
4. Those that do turn to welfare are often denied help because they do not qualify based on a set of standard criteria, while charities policies would be much broader and individually based.

CONCLUSION: More people would benefit from the Taxpayer Choice Plan than currently benefit from the Federal Welfare System. In terms of magnitude, Taxpayer Choice is an infinitely better option.

<u>AFF: The Taxpayer Choice Plan will positively affect the national economy</u>

Since the Taxpayer Choice plan will significantly expand effective charities (see page __) and charities are able to tailor fit plans of action to each person, rather than enforcing blanket policies, each person would receive the individual attention that they need and a plan that works best for their lifestyle.

1. Since charities are able to actively enforce standards to which the people they extend help to must adhere, they are better able to make sure that people do not become dependent on the system (see page 35).
    a. The current welfare system breeds dependency because they do not encourage that people work or even actively look for work. They are unable to do this because of the inadequate rule written by politicians in Washington.
    b. Because charities do not encourage dependency, those that they help are more likely to need less help.
2. High poverty levels affect the entire national economy (see page 27).
3. Since charities are better adept at improving people's lives by making them help themselves, charities more actively reduce the level of poverty in America.

CONCLUSION: Charities are more effective at reducing poverty, thereby increasing the wellbeing and stability of the entire nations' economy.

<u>AFF: Taxpayer choice would be able to offer significantly more help to those in need.</u>

1. Charities often provide direct services to the poor, like child care, day camps, hot meals, sack lunches, employment help, direct monetary help, literacy programs and English programs.
2. The Federal government is unable to provide these programs because of their cost, and instead simply gives things like food stamps and money.
3. Direct help is more beneficial because it allows people who have nowhere else to go a one-stop-shop for everything that they need.
    a. Even with government assistance, childcare is often too expensive for people who work minimum wage jobs, so they are forced to sacrifice work hours to take care of their children themselves.
    b. Food stamps only offer a discount on food, and while children often qualify for free lunches at school, the summer months become a problem. Private charities can account for what public school cannot.
    c. Literacy and English programs are integral in helping people help themselves. It is almost impossible to get an above minimum-wage job without the ability to read and write or the ability to speak English. So, not only do charities offer direct assistance with child care and food, they are able to help people actively invest in their future.

Politix Link: Republicans' image increases

Credits would bolster conservative image
Matthews, et al., 1998

[Merrill Matthews Jr, Peter S. Barwick, Grace-Marie Arnett, Stanley W. Carlson-Thies and Robert Rector, "Charity Tax Credits--and Debits." Policy Review, January/February 1998. Date downloaded: April 9th, 2009. http://www.hoover.org/publications/policyreview/3566647.html]

Beyond its practical benefits, a charity tax credit would address what is perhaps the fundamental weakness of the conservative movement: its inability to articulate a vision of society that speaks to the sense of moral obligation people feel for the less fortunate. The goal is not simply a warmed-over version of the statist forms of "compassion" favored by liberals. Rather, the credit would help address the needs of the poor in a way that is consistent with the ideal of limited government and with the American tradition of active reliance upon the institutions of civil society.

A/T: Federalism

Federal policy better than state
Abrams, '02

[Stacey Abrams, "Can a Charity Tax Credit Help the Poor?." American Prospect, November 30, 2002. Date downloaded: April 13th, 2009. http://www.prospect.org/cs/articles?article=can_a_charity_tax_credit_help_the_poor]

State governments have begun to see the logic of the CTC [charity tax credit] approach; more than 20 now operate some version of the charity tax credit. As you would expect, studies of these existing programs show that people give more to charity when the cost of giving decreases.

But while some policymakers favor a state credit, the federal tax credit is the better option. The funding lost to welfare reform is federal money, so the federal government should bear the primary duty of recompensing donors. In addition, because the state programs vary so widely--from youth rehab to community service support--charities easily run the risk of losing out to nonprofits not directly affected by welfare reform. More important, federal taxes are obviously much larger than state taxes--and donors would rather take a credit on their larger, federal tax bills.

CON Solvency: Public accountability is lost when individuals make decisions

Credits would eliminate public accountability
Waller, '01

[Mary Waller, creds "Charity Tax Credits: Federal Policy and Three Leading States." The Pew Forum on Religion and Public Life, May 2001. Date downloaded: April 9th, 2009. http://pewforum.org/publications/articles/charitytaxcredits.pdf]

Second, shifting decisions about where to invest public anti-poverty funding from government to individuals eliminates the built-in accountability of public decisionmaking. The public officials responsible for social service programs have the advantage of surveying the broader system of community services. They know the impact of other funding sources and where charitable giving has more capacity to meet community needs. The job of these officials is to determine need and to assess the capacity of specific providers to meet that need. They are accountable to the taxpayers, and can review performance outcomes pursuant to conditional grants and contracts. If public funds are used to offset tax credits for funding decisions made by individuals, the accountability inherent in the competitive, performance-based system of public funding is lost. It is surprising that the Bush administration would suggest a funding mechanism that eliminates accountability in government funding since President Bush has stated his commitment to performance-based grant making: "We must be outcome-based, insisting on success and steering resources to the effective and to the inspired."[2]

Con Solvency: Charities depend on government money

Charities depend on government dollars
Abrams, '02

[Stacey Abrams, "Can a Charity Tax Credit Help the Poor?." American Prospect, November 30, 2002. Date downloaded: April 13th, 2009. http://www.prospect.org/cs/articles?article=can_a_charity_tax_credit_help_the_poor]

People generally imagine that the local free health clinic or low-cost clothing store is financed mainly by good-hearted citizens through tax-deductible donations. The reality is different. Government is the single largest source of funding for human service nonprofits, providing almost half of all revenues for direct charity income. Thus recent government spending cuts have had a devastating effect. And while the average person thinks of the local homeless shelter, not the town symphony, as a typical charity, she is nevertheless more likely to give money to the symphony than to the shelter. Annually, only around $12 billion in private charitable donations went to organizations helping low-income families during the 1990s (and that includes donations to religious groups). More than $90 billion, in contrast, was donated to charities that did not serve the poor during the same period, according to the *Nonprofit Almanac*.

Con:

Federal Funding to Charities Violates the First Amendment
Lynn, '03

[Barry Lynn, Executive Director, Americans United for Separation of Church and State, "The Faith-Based Initiative Two Years Later: Examining its Potential, Progress and Problems." The Pew Forum on Religion and Public Life, March 4, 2003. Date downloaded: June 1, 2009. http://pewforum.org/events/?EventID=41]

All the particular problems find their genesis in a fundamental design flaw, which is the idea that you can protect constitutional interests by simply proclaiming that public funds may go to religious groups so long as they are not used for religious instruction, worship or proselytization. The kind of magic formula, as often phrased by administration officials, is that tax dollars, they say, will be used to buy bread, not Bibles. This conveniently ignores, though, that the government does fund religion when it funds some loaves of bread for the church-based hunger program, because it also, in the process, frees up more church funds to buy scriptures or to increase the salary of the pastor.

Moreover, it's not possible for most religious groups to turn off the religious element of what they are doing when a federal dollar floats by, but turn the spiritual spigot back on when it is a voluntarily contributed dollar. So the matter, in practical effect, in most cases, is that grants or contracts with pervasively religious groups do aid, do promote, do foster religion with tax dollars, violating a core principle of the First Amendment. And in the process, those funds promote the theological assumptions, the spiritual message and the biases of the recipients.

Con: Charities practice hiring discrimination

1. Since charities are private organizations, they would necessarily be allowed to set their own policies. Organizations that classify themselves on religious, racial, or ethnic grounds may restrict their hiring practices to simply those groups of people.
    a. The Salvation Army, for instance, does not hire openly gay people.
2. Allowing people to choose where their money goes still means that what would be federal money is going to fund organizations that are religious in nature, and therefore may not follow anti-discrimination laws.
3. While this plan allows for people to choose where their money goes, we still face the problem of religious charities becoming larger than they were before, and thus needing to hire more workers.
    a. The statistics compiled in "Giving USA 2007," the Annual Report on Philanthropy published by the AAFRC, indicate that religious charities receive, by an overwhelming amount, the most support from private donors.
    b. The "Taxpayers Choice" plan gives no suggestion that these statistics will change if the plan was to be implemented.
        i. Thus, religious organizations would be growing at an alarmingly faster rate than secular charities since more money would be able to be filtered into their cause.
4. Open jobs would only be offered to those that fall under the restrictions of the religion, as opposed to who is best for the job.
    a. Workers who have no religious affiliation, practice a religion that is not supported by the charity to which they are applying, or practice a lifestyle that is contrary to the sponsoring religion's beliefs will not be hired.

SUMMARY

Essentially, the plan advocated by Dr. Goodman would further the discrimination against minorities simply because of the nature of allowing everyone to choose where their would-be tax dollars go to. While minority groups could still give to the charity of their choice, they are still the minority, so significantly less money would go to those organizations, while groups that satisfy the majority's preferences would be receiving a great deal more funding.

Con: Taxpayer choice may result in charities that do not serve the poor becoming underfunded

1. The plan advocated by Dr. Goodman may result in worthwhile charities becoming underfunded.
    a. This plan stipulates that the charities funded by the plan must be for the purpose of fighting poverty and helping the poor, thus, charities that exist for the purpose of bettering inner-city schools, furnishing our city libraries, and providing aid to third world countries would not be funded by the proposed plan.
2. Since people have the option to give to charity through simply paying their taxes, they may not feel the need or responsibility to fund charities that aren't on the list.
    a. This mindset leaves worthwhile charities completely underfunded and unable to function.
3. Essentially, Dr. Goodman's plan replaces a sense of charity on the part of the citizen, with yet another function of the government.
    a. It is no longer the citizens' job to seek out charitable causes, but the government's job to provide qualifying charities for you to choose from.
    b. With private donations, $5000 might go to five different organizations with completely different causes. $1000 may support a homeless shelter, another $1000 may support a local soup kitchen, another $1000 might be donated to the fight against breast cancer, another $1000 might be given to the local high school to furnish new band instruments, and yet another $1000 might be donated to a local effort to clean up a playground.
    c. With Taxpayer Choice, the same amount would be split simply between the homeless shelter and the soup kitchen, leaving the other three worthy causes without that funding.
    d. While citizens would still have the option to make private donations, their sense of responsibility to do so would be significantly decreased since they have already donated to charity by simply paying their taxes, thus making the funding of non-poverty related charities unlikely and more difficult.

<u>CON: The poor would have disproportionately less say</u>

1. Since the Taxpayer choice plan relies on income taxes, and income taxes increase progressively as income progresses, those that pay the most taxes would be the ones that give the most money to the charities of their choice.
    a. In other words, charities under this plan would get the most money from those within the highest tax bracket: those making at or over $372,950 a year.
    b. Since that is the case, the rich would have the greatest say in where money goes and how much of it goes there.
2. Since the poor would be the one's benefitting from these charities, it does not make sense that they would not get as big of a say as to what charity is funded.
    a. They will be directly benefitting from these charities, and yet people who are altogether unaffected will be making the decisions regarding what charity is most effective.
3. Currently, if the poor are unhappy about current welfare policy, they simply have to vote for who they believe would change the policy for them.
    a. This requires no economic burden, and they still have just as big of a say as someone who makes millions of dollars a year.
4. Under the Taxpayer Choice plan, federal welfare would essentially become obsolete, and politicians in Washington would have nothing to do with the welfare system at all.
    a. Thus, the poor have been essentially taken out of the system altogether.
    b. They can no longer vote on what they want, and the do not have enough money to change the policy themselves.

CONCLUSION: The Taxpayer Choice system inherently undemocratic, as someone who pays more income tax has a disproportionate amount of say in which charities succeed and which ones do not, and those that pay little income tax have very little say at all.

<u>CON: Strict IRS scrutiny would be almost impossible to maintain</u>

1. The Taxpayer Choice Plan calls for maintaining strict IRS scrutiny over all of the charities funded by the plan to ensure that the goal of the plan would be maintained.
2. This does not take into account the overwhelming administration costs that would be incurred by such scrutiny.
3. Charities are not formed the way that most for-profit companies are. In order to be most effective, charities set up partnerships and subsidiaries on an ad-hoc basis so that they can be flexible as needs change.
4. The way in which charities are formed makes setting up IRS monitoring incredibly difficult and expensive.
    a. Such scrutiny would involve watching over what could feasibly be thousands of different charitable operations.
    b. Each organization would have the ability to serve as many people as they wanted to, and choose the income bracket they wanted to serve.
    c. Right now, the federal welfare system consists of a set number of organizations, who all serve a set number of people that all fall within a certain income bracket, which makes IRS scrutiny much easier and cost-efficient.
    d. If we were to switch to an unlimited number of charitable organizations, costs for maintaining IRS scrutiny would sky rocket, and since we could be adding new organizations all the time, the costs would never level out, they would just continue to increase.
5. Dr. Goodman's plan does not cover how these administrative fees would be covered. In addition, with IRS scrutiny being maintained over federal welfare programs right now the programs still do not serve their purpose, and millions of dollars is wasted annually.
    a. IRS scrutiny will not prevent charities from being ineffective, nor will it prevent the loss of taxpayer money to pointless causes.