

Uncharitable Charity Taxes

THE TRUE CHARACTER of "social security" taxes has been shrouded with good intentions and charitable phrases. Even a cursory examination of the incidence of these taxes discloses their true purpose; they are merely a form of income taxation. They are particularly objectionable because, and this accounts for the glamorous name given them, they hit incomes of those least able to share their incomes with the government. They are levies on wages.

Now that the fiscal power of the government is being employed to control our financial structure, rather than for revenue purposes, the true character of these taxes for-the-benefit-of-the-poor comes to light. For, reports from Washington are to the effect that these levies on wages will be used to cut rising consumer purchasing power as a means of preventing inflation.

Higher "social security" taxes, then, are being proposed not as a means of alleviating the condition of the aged unemployables, but as a means of preventing the employed young from enjoying their wages. At present these mis-named levies amount to 1½ per cent on salaries up to \$3,000, plus an equal amount matched by the employer, which, of course, also comes out of the workers' wages. It is now proposed to absorb increases in wages, resulting from the war boom, by concurrently increasing the rate. Thus upping an employee's salary by five per cent, for instance, would call for an upping of the tax rate to four per cent.

There never was and never can be a tax that improves the welfare of the taxed, and no amount of sugar-coating can deny the fact that every levy has but one purpose: to fill the coffers of the State.