



## VISION for ECONOMIC RENEWAL

- The natural state of our economy is prosperity; freedom ensures that
- In order to return to prosperity, Government must get off our backs, out of our pockets and out of our way

## ECONOMIC GUIDING PRINCIPLES

- 1. Production drives the economy, not spending. Production is the engine, consumption is the caboose.**
  - We can not spend our way to prosperity
  - Government spending is to take a bucket of water from the deep end of the pool, pour it in the shallow end, then *Hope* that the water level will *Change*.
- 2. Risk taking drives growth**
  - Business formation and job creation are dependent on entrepreneurs taking risks
  - Investors who fund entrepreneurs likewise take risks
- 3. Measurements must be dependable**
  - A dollar must always be a dollar, as an hour is always 60 minutes
  - Sound money is crucial for prosperity

## UNITE, never DIVIDE;

### UNITED around ECONOMIC GROWTH

- When one party is so focused on spending so that the other must focus on cutting, we must unite around economic growth
- Unite *income* tax payers with *payroll* taxpayers so we all pull for low rates.
- Unite those wanting to eliminate deductions with those seeking lower rates
- Unite the *Flat-Taxers* with the *Fair-Taxers*

## PHASE ONE

Our current economic crisis calls for bold action to truly stimulate the economy and Renew America back to its greatness. The **9-9-9 PLAN** gets Washington D.C. out of the business of picking winners and losers, using the tax code to dole out favors, and dividing the country with class warfare. It is fair, simple, transparent and efficient. It taxes everything once and nothing twice. It taxes the broadest possible base at the lowest possible rates. It is neutral with respect to savings and consumption, capital and labor, imports and exports and whether companies pay dividends or retain earnings.

### 9% BUSINESS FLAT TAX

- Gross income less all purchases from other U.S. located businesses, all capital investment, and net exports.
- Empowerment Zones will offer deductions for the payroll of those employed in the zone

### 9% INDIVIDUAL FLAT TAX

- Gross income less charitable deductions
- Empowerment Zones will offer additional deductions for those living and/or working in the zone

### 9% NATIONAL SALES TAX

- Unlike a state sales tax, which is an add-on tax that increases the price of goods and services, this is a replacement tax. It replaces taxes that are already embedded in selling prices. By replacing higher marginal rates in the production process with lower marginal rates, marginal production costs actually decline, which will lead to prices being the same or lower, not higher.

## ECONOMIC IMPACT

- According to former Reagan Treasury official Gary Robbins, of Fiscal Associates, the 9-9-9 Plan will expand GDP by \$2 trillion, create 6 million new jobs, increase business investment by one third, and increase wages by 10%.

## 9-9-9 PLAN: SUMMARY

- Removes all payroll taxes and unites all tax payers
- Provides the least incentive to evade taxes and the fewest opportunities to do so
- Lifts a \$430 billion dead-weight burden on the economy due to compliance, enforcement, collection, etc...
- Is fair, simple, efficient, neutral, and transparent
- Ends nearly all deductions and special interest favors
- Features zero tax on capital gains and repatriated profits
- Exports leave our shores without the Business Tax or the Sales Tax embedded in their cost, making them world class competitive. Imports are subject to the same taxation as domestically produced goods, leveling the playing field.
- Lowest marginal rates on production
- Kills the Death Tax
- Allows immediate expensing of business investments
- Eliminates double taxation of dividends
- Increases capital formation which aids capital availability for small businesses
- Increased capital per worker drives productivity and wage growth
- Features a platform to launch properly structured Empowerment Zones to renew our inner cities
- The pro-growth, pro-job, pro-export economic policies of the **9-9-9 PLAN** equals a strong dollar policy

## PHASE TWO



Amidst a backdrop of the economic renewal created by the **9-9-9 PLAN**, I will begin the process of educating the American people on the benefits of continuing the next step to the Fair Tax.

- Ultimately replaces individual and corporate income taxes
- Ends the IRS as we know it and repeals the 16<sup>th</sup> Amendment

## MEET HERMAN CAIN

Mr. Cain has more than 40 years experience in the the private sector where he balanced budgets, created jobs and rescued failing companies. A no-nonsense business leader who has turned struggling companies around to renewed success, Mr. Cain's policies will do the same for the United States of America.

Find out more at [www.HermanCain.com/about](http://www.HermanCain.com/about)



  
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