

Percentax Proposal Synopsis

Percentax is a revolutionary tax reform proposal that replaces all federal, state, and local taxes with a flat, automated 0.8% transaction tax applied on both inflows and outflows—totaling 1.6% per full financial cycle.

Instead of taxing income, payroll, corporate profits, or sales separately, Percentax applies one simple rate on every transaction, eliminating tax returns, compliance burdens, loopholes, and inefficiencies.

Core Mechanics:

- 0.8% is charged when money is received (income, revenue, loan disbursements).
- Another 0.8% is charged when money is spent (purchases, expenses, transfers).
- No audits, no deductions, no filings—tax is collected automatically by the banking system.

The Numbers (2024):

- Total U.S. transaction volume: \$2,083 trillion
- Taxable base after exclusions: \$1,386.7 trillion
- Revenue at 0.8%: \$11.10 trillion
- Current U.S. tax need: \$8.14 trillion
- Annual surplus created: \$2.96 trillion

What Percentax Replaces:

- Virtually ALL other taxes!
- Individual & Corporate Income Tax
- Payroll Tax (Social Security & Medicare)
- Capital Gains & Estate Taxes
- Sales Tax, Excise Tax, Property Tax (optionally phased out)
- IRS compliance, tax prep, filings, audits

Why It Works:

- Fair & Universal: Everyone pays the same rate, regardless of income or structure.
- Recession-Proof: Tax revenue remains stable even in downturns, since all financial activity is taxed.
- Compliance-Free: Over \$300B in tax compliance costs are eliminated.
- Revenue-Surplus Model: Generates more than enough to replace current taxes—without raising rates.
- No Loopholes or Evasion: Offshore avoidance and underreporting are structurally impossible.
- Pro-Growth: Eliminating corporate and payroll tax allows businesses to hire,

invest, and expand faster.

Case Studies: Walmart & McKesson

Low-margin companies like Walmart pay slightly more in tax but gain higher profits due to no payroll or compliance costs. Even ultra-low-margin companies like McKesson remain profitable at 0.8%—but benefit from optional caps and tiered models.

Implementation Options

1. Big Bang: One-day transition
2. Dual System: Percentax and current system run side-by-side for 1 year
3. Phased Rollout: Gradual replacement of taxes over 24 months

Cost of Delay

Every month without Percentax costs the U.S. \$246.7 billion in lost surplus. This revenue could fund universal healthcare, eliminate homelessness, modernize infrastructure, or reduce national debt. This is \$8B per day!

Final Takeaway

Percentax is a modern, automated, fair, and recession-resistant tax model that could replace the entire U.S. tax system with one simple flat rate. It increases revenue, slashes compliance costs, boosts business growth, and restores trust and simplicity in public finance.

The time for Percentax is now.