

Where Do Your Income Tax Dollars Actually Go?

In 1982, in order to find ways to cut federal spending, President Ronald Reagan formed the President's "*Private Sector Survey On Cost Control*".

This blue-ribbon panel of one-hundred and sixty of the country's top business leaders headed by Peter Grace became known as *The Grace Commission*.

Quoting from page 12 of their report submitted to President Reagan on January 15, 1984, this private, fact-finding commission stated:

"Resistance to additional income taxes would be even more widespread if people were aware that one-third of all their taxes are consumed by waste and inefficiency in the Federal government as previously identified.

"With two-thirds of everyone's personal income taxes wasted or not collected, 100% of what is collected is absorbed solely by interest on the federal debt ...

"... in other words, all individual income tax revenues are gone before one nickel is spent on the services taxpayers expect from the government."

This illustrious private panel reported that not *one dollar* of personal income tax collected by the IRS goes to pay for government services, but actually goes to pay the *interest* on our "debt" to the Federal Reserve.

President Regan thanked the *Grace Commission* for their report and then shelved it.

None of the recommended measures to cut *billions* in government spending were implemented.