

Proposed Tax Rates for individuals and corporations, under a simplified tax system with no deductions and all income is taxed as ordinary:

Single Taxpayers		Joint Taxpayers	
Income Bracket	Tax Rate	Income Bracket	Tax Rate
0 to 25,000	0%	0 to 50,000	0%
25,000 to 50,000	10%	50,000 to 100,000	10%
50,000 to 100,000	15%	100,000 to 200,000	15%
100,000 to 250,000	25%	200,000 to 500,000	25%
250,000 to 500,000	35%	500,000 to 1,000,000	35%
500,000 and up	40%	1,000,000 and up	40%
No phase out of lower brackets		No phase out of lower brackets	

Corporate Tax Rate for C-Corps – 0%.

Non-Financial C-Corps taxed at 35% on passive investment income.

All US businesses established as LLCs, S-Corps, Partnerships, Schedule C can decide to “check the box” to be taxed as a C-Corp. going forward with appropriate recordkeeping.

40% withholding on dividends and effectively connected capital gains to foreign owners of US stocks for which a return can be filed by nonresidents individuals and be subject to the same tax rates as US residents and citizens. Foreign non-individual owners of US stocks would pay 35% rate on dividends and capital gains. (There could be tax treaty issues but should consider negotiating new ones).

All exclusions currently allowed as perks for employees should be considered income other than qualified tax deferred savings (i.e. medical premiums etc).

Keep current caps on qualified deferred compensation with Minimum Required Distributions at age 70 and ½ or in any year when the balance in such accounts exceeds \$5,000,000 at the prior year end.

25% nonrefundable income tax credit allowed for Fair Market Value of Charitable Contributions.

Estate Tax at 40% with current unified credit levels, allow step-up/down in basis to fair market value for all nonqualified plan/non-IRA assets and allow a tax free conversion of 25% of qualified plan/IRA assets at death to Roth IRA as the “working man’s” step-up in basis.

March, 2015