

First, reign in the tax fraud on tax credits such as earned income tax credits.

This should be simple to accomplish by ceasing the IRS rush to issue refund checks without adequate documentation. Instead delay the refund checks until enough documentation has been received by the IRS to make a reasonably valid determination that a taxpayer should receive a refund based on tax credits that have a history of overpayments to taxpayers. My recall is that the government's own studies show that billions and billions of taxpayer money has been wasted by not making this simple policy change.

Second, reign in some of the tax fraud of the underground economy by requiring every adult individual to report payments to other individuals and companies to the IRS in January of each year.

The IRS could provide a free website for individuals to submit annual totals for payments to individuals and companies for services rendered by them for things such as home improvement work, lawn mowing, and so on. I believe that this simple policy change would generate billions and billions of additional tax revenue without any changes in the tax law, except for adding this one additional reporting requirement. The annual reporting should include the same type of information that is included in a form 1099-MISC.

Serious consideration should be given to implementing both the above policy changes as soon as possible if the goals of this process is to improve compliance with tax laws and improve fairness to all taxpayers.



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