

Example of argumentative essay on richer should pay more taxes

[Sociology](#), [Population](#)



In recent years, there have been debates regarding whether to tax the richer at higher rates or not. According to the US President Obama and billionaire investor Warren Buffet, those in the millionaires and billionaires brackets should pay their “ fair share” (Steenekamp 2). However, for economists such as John Cochrane, they opine that a flat tax rate will be the best for the richest country like the United States. In this regard, the country should put a maximum amount of tax (not rate) that the rich should pay as taxes. For them, higher tax rates to the rich may harm the whole economy, making it to produce fewer revenues (Cochrane 32-36). Although the feelings of flat rate proponents like Cochrane are that lower income earners are lazy, it is important to realize that most rich people are endowed with more resources like high intelligent quotients, lands, money among others that poor people simply do not have. Therefore, by referring to various sources, this discussion will assert that the richer should pay more.

First, there are many concerns that the rich are not paying enough proportion of their tax. It starts with those individuals who hold a majority of government bonds without paying any tax on them. The tendency will continue favoring higher income groups over the poor in a very undesirable way. In this respect too, the Apple CEO Tim Cook has confessed about the company’s involvement in offshore accounting arrangements, which have removed a lot of billions of dollars from the taxman’s oversight (Becker 33). According to Levin et al. (52-56), rich bankers such as Swiss Bank are using secrecy laws to evade paying taxes and, hence, making huge loss to the US treasury. Therefore, the Internal Revenue Service should enforce laws for the rich entities to pay their fair share without debates.

Secondly, the gap between the rich and the poor is rising very fast.

According to Paris economist Piketty, for a nation to reduce this rising case, there should be a progressive system for the rich to pay a bigger proportion of tax (Thorndike para. 4-7). In this regard, as noted after the World War II, they were the higher proportions that helped to check the then surging high inequalities between the rich and poor. The declining higher brackets as witnessed in 1980s in countries such as Great Britain and United States helped to boost the incomes for rich people. Thus, the rates analogous to those of post war period should be put in place to reduce the rising inequality.

Thirdly, it is also important to note that for a country to get more revenue, it must take larger proportions from the few rich who own a huge portion of the national wealth. As by the 2010 statistics, 1% of US population owned 35.4% of the country's privately held wealth. A little bit extended, only 20% of the country's population held 89% of all privately held wealth, implying that 89% of the population controlled only 11% of this kind of wealth (Domhoff 2). In this regard, the government may not get enough revenue by imposing a flat rate system, and much enforcement of it may hurt the poor very much. As millionaires and billionaires have enough money to service off their expenses like taxes, with many surpluses, they will not be hurt. Therefore, the richer should pay more taxes for the government to earn more revenues.

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