

Just an idea

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I have an "out of the box" idea for economic recovery:

Raise the tax rate on anyone making over \$2 million a year to 30%. This is only a 2% increase over the current rate. Then make any person with income under \$30K (for single filers, \$50K for couples) pursuing a first college degree, with a 8 hours minimum class load, exempt from federal taxes.

By making them exempt, instead of a "tax rebate" once a year, they would not be paying in from each check and would have more money on-hand to spend. These individuals would still be paying local city and state taxes where applicable, as well as social security.

I know, I know. The argument against it is that you would be taking from the "rich" and giving to the "poor". But I disagree. Look at it as the country (or even those companies) making an investment in the future. All the studies show that, on average, college educated people make more money over the course of their lifetime than their less-educated brethren. They will make more money, so they will pay more in taxes in the future. In exchange for 4-5 years of not collecting taxes at 15% on low income you get an individual paying for 30+ years at 25% or higher for a higher overall income. That's a pretty good swap, if you ask me.

Not coincidentally is the effect on the immediate economy. There are about 20 million college students. If you leave a couple hundred dollars per month in their pockets they will spend it. They will buy goods and services and pay bills. Honestly, the small number of multimillionaires whose tax was increased are simply incapable of pouring that kind of spending back into the economy. The increased consumption will lead to more jobs and more money back into the pockets of the rich corporations.

Another benefit is a reduction in "safety net" benefits. Students with families on welfare and food stamps will need less of these benefits and will begin contributing more "free market" money into the economy instead of just recycling tax dollars.

Make working your way through college just a **little** easier, put millions of dollars into the economy from people who are yearning to spend it and reduce the amount of social welfare spending from the government. That sounds like a winning idea to me.