**How to Resolve our National Debt Problem?**

**Pay...It...Back.**

**July 10, 2016**

**Debts that can't be paid, won't be paid.**

If we continue our la-la economic, kick-the-can down the road policies, we WILL fail financially. National debts will continually expand/then collapse taking the US dollar with it, entitlement programs will become insolvent (i.e. no paycheck one day soon) setting up true economic and societal chaos, and jobs will continue to disappear. Interested? Thought not. There is a better way and it will make you actually feel better about yourself and your country. Read on.

Here's a thought. Why not repay ALL the debt instead...now? Ah, easier said than done, you say. There's the budget; zero-based budgeting politics where even a stable funding is called out as a "cut". Not as tough though with the right leadership, but THIS is not a political article. It's a blueprint to repay almost $20 trillion national debt while doubling the size of the REAL US economy and stock market. Interested now? Read on, or better yet, interpret on:



Ok, I'll spill the beans and then back it up with numbers in the next section. Cut taxes across the board: KISS, get rid of IRS, and graduate tax rates (or not) as a sales tax eliminating the income tax. I frankly don't care at this point. The point is to lower tax rates a LOT (including eliminating business tax) PERMANENTLY, telegraph to business, and let the money flow into jobs and profits, setting off a sustainable economic/stock market dynamo the world has rarely seen.

***Want a job? You better.***

**Debt Solution - Capital Gains Tax on Rapidly Expanding Economy**

You may be surprised to know that I do not intend to pay back the debts with spending cuts. Keep bloated spending exactly where it is, for all I care. Just DON'T increase it; inflation will do the rest. Lack of money is a powerful motivator. No, the real point of this article is to use CAPITAL GAINS TAX on a ramping stock market to pay back the debt: 1:1. Capital gain tax is currently between 1% and 3% of government tax receipts. I say let's make money and ramp it up!

I'm not talking about "dynamic scoring" where supply-side economics increases tax receipts, though it does. I'm talking about stable tax receipts, save capital gains. Here are the numbers, in which business grows, government declines, and the consumer makes out like a bandit:



EVERY economic factor rises EACH year (with jobs attached to them) while government spending holds flat (declines in real terms - except defense which rises by inflation - and especially after debt payback from capital gains tax). Here's the capital gains calculation:



This solution will only last for a limited window because entitlement programs are going broke shortly thereafter the debt solution timeframe. Alas again, the solution to those problems are topics for another day. Thank you.

***Smart/intelligent have nothing to do with government. Focus on two factors: Capital gains tax and Debt reduction.***

Kind regards,

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