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NomineeAlert

Garrett's Background

Co-Director, USC-Caltech Center for the Study of Law and Politics

Vice President for Academic Planning and Budget, USC

Vice Provost for Academic Affairs, USC

Visiting Professor, California Institute of Technology

Professor, University of Chicago

Deputy Dean for Academic Affairs, University of Chicago

Visiting Professor, UVA

Visiting Professor, Central European University

Visiting Assistant Professor, Harvard

Legislative Director and Tax and Budget Counsel for Sen. Boren

Legal Advisor, Judge Holtzmann, Iran-United States Claims Tribunal, The Hague

Law Clerk, Justice Thurgood Marshall

Law Clerk, Judge Stephen Williams, DC Court of Appeals

EDUCATION

J.D. University of Virginia School of Law

B.A. University of Oklahoma



this issue:

Elizabeth Garrett, Nominee for Assistant Secretary of Treasury for Tax Policy

Who is Elizabeth Garrett?

On March 28, 2009 President Obama announced Elizabeth Garrett as his nominee to be Assistant Secretary of Treasury for Tax Policy.

Garrett is an academic who believes that you are not taxed enough.

It is unclear how much Elizabeth Garrett would like to raise taxes; but from her public statements, it is clear that she wishes to do so. Over and over again, she talks about the importance of progressivity and "fairness" in taxation.

Garrett believes taxes are not just to raise revenue but to set social[ist] policy. She also believes that it is "fairness," for one taxpayer to pay at a higher percentage of income than another. The higher the better. Garrett never

Tax me more baby...

defines what she considers, "upper income," or what she believes is "their fair share."

However, from her constant harping on the

issue one could conclude that no matter how high it was it would not be enough to be "fair."

"When upper-income people are not paying their fair share, Ms. Garrett said, 'it erodes confidence in the system'." Fn.1.

"Every tax bill since the 1986 reform has made the system more complicated and less fair,

and it's time to turn that around." Fn.2.

"Elizabeth Garrett, a USC law professor, said she was not satisfied with the current tax code's progressivity -- the degree to which taxpayers pay a higher share as their income increases." Fn.3.

“ When you think about the objectives of a tax system you think about progressivity, fairness... We do a lot with our tax code. We don't just raise revenue... But ultimately you're going to have to make some tradeoffs among those goals. **Take a goal that's very important to me: progressivity and fairness.** That requires that you make distinctions among taxpayers. ”

What you really need to know about Elizabeth Garrett in her own words.

Sources for further reading:

Fn.1. David E. Rosenbaum, *Tax Panel Wants to End the A.M.T.*, NEW YORK TIMES, July 21, 2005 at C1. Available online at: http://www.nytimes.com/2005/07/21/business/21tax.html?_r=2. (Accessed April 15, 2009.)

Fn.2. Joel Havemann, *THE NATION; A Twist on the Consumption Tax Gains Traction; The X tax is just one option that a panel advising Bush is considering as it looks for ways to overhaul the current system.* LOS ANGELES TIMES, October 9, 2005, at A27. Available online at: http://www.taxpolicycenter.org/newsevents/archive_citation.cfm?template=cite_twist_consumption_archive. (Accessed April 15, 2009.)

Fn.3. Joel Havemann, *The Nation; Tax Panel to Offer Bush Two Overhaul Plans; One proposal to simplify the system would scale back or kill some deductions. The other would also exempt investment income.* LOS ANGELES TIMES, October 19, 2005 at A23. Available online at: <http://articles.latimes.com/2005/oct/19/nation/na-tax19>. (Accessed April 15, 2009.)

“The final noteworthy characteristic of our reform plans is that both have progressive rates. This reinforces the long-standing tradition in this country of progressivity in the tax code as part of its fundamental fairness, and it responded to the direction of the President to bring forward proposals that were fair and appropriately progressive. Even a pure consumption tax – which was not among the Panel’s recommendations – can have progressive rates. . . . For the record, I have included with this testimony my statement upon the release of the Panel’s report that discusses the urgent need for a renewed commitment to increased progressivity in today’s current economic and social climate. **As our country is increasingly characterized by growing and profound inequalities of wealth and opportunity, a progressive tax system – as well as government programs designed to increase economic and educational opportunity for all Americans – can help to redress the inequities.**” (Emphasis added.)

Elizabeth Garrett, Statement on Tax Reform, Senate Finance Committee, August 3, 2006. Available online at: <http://finance.senate.gov/hearings/testimony/2005test/080306egtest.pdf>. (Accessed April 15, 2009.)

Garrett opposes the Fair Tax but is open to a Value Added Tax:

“**The so-called “FairTax” plan is not a realistic proposal for the country**, it would not provide adequate revenue at reasonable rates; it would harm many of the very people who support it; and it meets none of the goals of a healthy tax system. In contrast, a Value Added Tax, along the lines of the VATs used by the vast majority of our major international competitors, should remain on the table but as part of the reform of Social Security and Medicare... Although this issue is not before you now, I encourage you to refer to the Panel’s report when you do consider this possible source of revenue, and **I urge you to consider it [a VAT] seriously as a replacement for the payroll tax.**” (Emphasis added.) Elizabeth Garrett statement, *supra*.

Garrett thinks that non-profit organizations should have to reveal their involvement in initiative campaigns, with the exception of a small number of groups that have reason to fear physical violence:

“The McConnell Court reaffirmed the need for case-by-case exceptions to protect groups at risk of ‘economic reprisals or physical threats.’ The structure of any exemption must be carefully devised so that groups actually can avoid publicizing the names of their members or signaling that they might be involved in presenting despised viewpoints. **This concern for anonymity, while important, does not sweep broadly, and it would not allow economic [e.g. trade organizations, corporations, labor unions] and ideological groups [e.g. NRA, NARAL, Sierra Club] that prompt some negative voter reaction to avoid disclosure justified by a voter competence rationale.**”

Elizabeth Garrett and Daniel A. Smith, *Veiled Political Actors: The Real Threat to Campaign Disclosure Statutes*, USC Law and Public Policy Research Paper No. 03-13, June 2004. Available online at: <http://ssrn.com/abstract=424603>. (Accessed April 15, 2009.)

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