

Book Review for 4/04/04 by Grace Allen

Title: "Perfectly Legal"

Author: David Cay Johnston

Publisher: Penguin Group

Length: 317 pages

Reading time: 6 hours

Reading rating: 8 (1 = very difficult; 10 = very easy)

Overall rating: 4 (1 = average; 4 = outstanding)

I have just filed my 2003 tax return and I feel sick. I am a middle-class American who wants to pay her fair and equitable share of taxes. However, I do not want to subsidize the super rich so they can defer or even evade taxes on their multimillion dollar incomes.

David Cay Johnston, a Pulitzer Prize-winning investigative reporter for the New York Times, in his book "Perfectly Legal," exposes in shocking detail how the American tax system is far from fair and equitable. The very wealthy are getting wealthier at the expense of the rest of us. This perfectly legal thievery is a shift in the tax burden from the very wealthy to law-abiding middle-class Americans, impeding their ability to achieve upward social mobility.

At first glance many readers would assume that Johnston is a Democrat using his book to bash Bush and the Republican Party. This is not so. In fact, Johnston is a registered Republican. He lays the blame of the American taxation system on politicians from both parties who have written and supported laws that favor the "donor class" at the expense of the average American. Johnston points out that the very wealthy do pay taxes but because of shelters and loopholes, that allow them to understate their income, they pay little more, if any, than the average middle-class American on each dollar of income.

Johnston also reveals the truth about the alternative minimum tax, better known as the stealth tax (for the way it sneaks up on you) and how this nasty tax may take away part or all of the Bush tax cuts for middle and upper middle class Americans. He describes the beleaguered IRS that is so under funded and weak that it cannot possibly deter tax cheats. The IRS is seven times more likely to audit the working poor than the large tax cheaters who evade millions of dollars of tax payments. This is not surprising since the working poor have no resources to fight back or donate to a politician.

This is the perfectly appropriate season to read "Perfectly Legal." It is a nonpartisan report of a tax system wrought with inequities and corruption that will make you angry and even outraged. Read it because it will take you and other informed taxpayers to make a difference in reforming a tax system into one that can benefit all Americans and the democracy in which we live.

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