Flat-Tax Ben: Carson Proposes Single 15 Percent Rate, No Deductions

U.S. Republican presidential candidate Ben Carson said Monday he favored a flat 15 percent tax rate and an end to all tax deductions, among other steps, in an effort to boost the U.S. economy and balance the budget.

Carson said he would also trim the federal government spending by between 2 percent and 3 percent while also increasing revenue by repatriating corporate income from abroad.

“I am in favor of a flat tax,” Carson told Fox Business Network. “Everybody should be hit exactly the same.”

Opinion polls show Carson, a retired neurosurgeon, is currently in the top tier of a crowded field of candidates vying to be the Republican nominee for the presidential election in November 2016.

“In order (to) have to, you know, remain revenue neutral, we would have to make that rate at about 15 percent, and eliminate all the deductions and all the loopholes,” he told the network, which is hosting a televised Republican debate on Tuesday.

Additionally, Carson said he would extend the 15 percent tax rate to capital gains, now taxed at 20 percent. Foreign income would also be taxed at 15 percent, he said, adding that he would take steps to encourage U.S. companies to declare cash now held overseas.

Multinational corporations with money parked abroad currently face a 35 percent tax rate if they reclassify it to the United States.

Carson told Fox he “would declare a holiday on that tax” to bring such funds back but would require companies to invest 10 percent of that money into American communities to create U.S. jobs, although he gave no specific details.

“It also gets business industry in the mind frame of, once again, investing in a community, which is something that we used to do at higher level before the government came in and said, we will take care of all that,” he added.

Carson’s outline of his tax plan comes as he faces increased scrutiny from the media and rivals after a recent rise in opinion polls – where he and Donald Trump, a businessman and television personality, currently hold the top spots to be the Republican presidential nominee.

Carson also said he is relying heavily on the advice of George Mason University economics professor Tom Rustici.

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