We Can't Separate Social Policy from Tax Law

by Phyllis Schlafly March 14, 2012

Contrary to foolish meanderings of politicians, social issues are not only an integral feature of our fiscal policies but also specifically of our tax laws.



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The majority of Americans say they support traditional marriage, the union of a husband and a wife, and support children being raised by their parents who are married to each other. So why are we permitting our income tax law to discriminate against traditional marriage and against the right and need of children to have a father and a mother married to each other?

Don't let anyone tell you that federal tax policy should be neutral about marriage, children and the family. There is no such thing as a neutral tax or a neutral deduction or a neutral credit.

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Every part of your income tax return that you will file by April 15 is a manifestation of social policy. The whole concept that those who have more income must pay higher rates of income tax than those with less income (known as a progressive income tax) is a momentous combination of social and fiscal policies.

It's social policy that we can deduct gifts to charitable and religious organizations on our tax return. It's social policy to allow us to postpone taxes on our accounts set up for retirement.

It's social policy to permit homeowners to deduct mortgage payments. Favoring homeowners over renters was a social-policy decision made years ago and locked into the income tax law.

When we elected the great Republican Congress in 1946, it created the joint income tax return over President Harry Truman's veto. This enabled married couples, where the husband was the major breadwinner and the wife a homemaker, to file their income tax return as two equal partners, with each tax bracket, deduction and exemption equal to twice that of a single person.

For more than 60 years, the federal income tax treated the family as an economic unit. A husband and wife had the benefit of pooling their income in a joint tax return which affords larger deductions and lower rates.

Meanwhile, pro-marriage social policy was repeatedly reaffirmed by the American people. Thirty states passed constitutional amendments endorsing traditional marriage, and Congress overwhelming passed the Defense of Marriage Act (DOMA). The General Accountability Office reported that 1,138 federal laws depend on the traditional definition of marriage set forth in DOMA.

Nevertheless, starting with the Nixon Administration, fiscal-social policy in the income tax code and in government spending steadily devalued marriage and gave non-marriage a better deal in the income tax law. Tax laws reduced the value of the husband and wife filing a joint return from 2 persons to only about 1.6 persons, while creating a new category called "head of household" for unmarried persons, and valuing that person as 1.4 persons in the income tax system.

We have recently learned that a fourth of those unmarried heads of household have an unreported live-in partner with a job. Simple arithmetic shows that a single parent with an unmarried live-in partner would then be valued at 2.4 persons, which is more favorable tax treatment than respectable married couples struggling to support their own children.

That means, if the single mom has a live-in boyfriend who files his own tax return, they end up with more favorable treatment in the income tax system than a married couple raising their own children. We should not allow marriage to be discriminated against in the income tax code.

Even ObamaCare contains a marriage penalty by reducing the insurance subsidy when cohabiting couples marry. As a

Democratic staffer explained to the Wall Street Journal reporter who questioned the marriage penalty written into ObamaCare, "You have to decide what your goals are."

The Democrats know that 70% of unmarried women voted for Obama in 2008. Democratic consultant Tony Podesta has cooked up 83 bills to increase handing out more taxpayers' money to single moms.

Most Republican presidential candidates, as well as conservative think tanks, publications and PACs, have presented proposals to "reform" the tax code, but they don't get it when it comes to income-tax respect for marriage. Again and again, they use such anti-marriage expressions as "individuals and their dependents."

The only one who seems to understand the family's relationship to the income tax is Rick Santorum. That could explain his surge with conservative voters.

Santorum even had to explain to the *Wall Street Journal's* financial guru the difference between the personal exemption for dependent children and a child credit. The difference is between reducing income taxes on a married couple raising their own children and giving refundable "credits" (*a.k.a.* handouts) to children of an unmarried parent.

It's time to make our income tax system pro-marriage instead of anti-marriage.