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TAX EXEMPTIONS FOR CHILDREN

In 1950, I had my first child, a bouncing baby boy whom we named John. In addition to all the love and sunshine he brought into our home, he also brought an income tax exemption of $600 per year. That amounted to 18 percent of the median annual income of all American families (which was then $3,319).

A family of four in 1950 (husband, wife, and two children) would have had four times $600, or $2,400 in income tax exemptions. Those exemptions would have amounted to 72 percent of the American family's median family income.

This year, I had my first grandchild, a bouncing baby boy whose parents named him Tom. In addition to the love and sunshine he brought into our lives, he brought an income tax exemption to his parents of $1,000 per year.

Does the increase in a child's income tax exemption from $600 to $1,000 indicate that a baby is worth more in income tax exemptions in 1982 than in 1950? On the contrary, when you compare the child's income tax exemption to median family income, the U.S. tax code has determined that my grandson Tom is worth less than one-fourth as much as my son John was worth 32 years ago.

Today's $1,000 income tax exemption is only 4 percent of the American family's median family income in 1982 (which is now between $23,000 and $24,000), compared to the 18 percent of the 1950 median family income that the $600 exemption was.

A family of four (couple and two children) this year would have $4,000 in income tax exemptions, which adds up to only 17 percent of the American family's median family income. The 17 percent in exemptions that today's family of four can deduct on its income tax return is only a pittance compared with the 72 percent that a family of four would have been able to deduct in 1950.

If my grandson Tom were to get the same income tax exemption today that my son John got in 1950, Tom's exemption would be at least 4,000 per year.

These figures show how the income tax burden over the last three decades has been

shifted onto the backs of the people with children. Yet they are the ones on whom the future of our nation depends.

I have examined both my 1950 son and my 1982 grandson very closely. I've held them and hugged them and loved them. There is no way anyone can convince me that the 1982 baby is worth only one-fourth as much a tax exemption as the 1950 baby.

A 1982 baby is far more costly to have and bring up than a 1950 baby. The doctor's fee for pre-natal care and delivery of a baby today is approximately five times what is was in 1950. A new book says that it literally costs a fortune to raise a child; in today's dollars it costs $226,000 to raise a son and $247,000 to raise a daughter from birth through age 22.

When a couple has one child, it needs a 26 percent increase in income after taxes in order to maintain its former standard of living. If a couple has two children, it needs an income increase of 47 percent in order to maintain its previous standard of living.

Yet, over the last three decades, couples with two children have suffered a 43 percent increase in federal income taxes. Couples with four children have been hit with a 223 percent hike in federal income taxes. On the other hand, the federal income tax burden on single persons and on couples with no children is about the same today as three decades ago.

Are these figures a surprise and a shock to you? They were to me when I sat down and figured out from the U.S. tax code how American families have been ripped off through manipulation of the income tax rates and tables. And it's all been done without any discussion or debate of this major policy change.

One hesitates to say that Congress made these changes secretly, but ask yourself. Did you ever hear a Congressman discuss or defend his votes for the legislation that shifted the tax burden so massively onto the backs of families with children? If not, isn't it time that they answer to the voters for their stewardship of the U.S. tax structure?

This injustice should be remedied in the very next tax bill passed by Congress. The people with children need their own hard-earned money to support their families. This is where the future of our nation lies.