



## CITY OF ATLANTA

ANDREW YOUNG  
MAYOR

September 12, 1986

The Honorable Andrew Jacobs, Jr.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Jacobs:

I am writing to you today about deficit reduction and fairness. As the federal budget deficit continues to grow to well over \$200 billion, corrective measures obviously must be taken.

A deficit of that proportion is clearly unhealthy for our nation's economy. However, corrective measures that stifle growth, cripple important social programs or unfairly burden the poorest of our citizens are equally unhealthy.

One such measure -- an increase in excise taxes -- has recently received a good deal of attention as a possible deficit reduction tool. Excise taxes, by their very nature, tend to be regressive, taking a smaller percentage of income as income increases. Current excise taxes are not levied on luxury goods but on goods of general consumption such as petroleum, alcohol and tobacco. Therefore most excise taxes fall more heavily on working Americans and our poorer citizens.

Our tax system has traditionally been based upon a concept of fairness by which those who enjoy more wealth paid more in taxes than those less fortunate. This idea of progressivity is deeply rooted in the American belief in fairness and equality. This is a belief that has endured because it is popular and effective. It should not be circumvented by regressive solutions to current budgetary imbalances.

In your continuing search for solutions to the deficit problem, I urge you to keep the tradition of fairness alive and resist the temptation to overburden the poor and middle class in our society.

Warm regards,

  
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