

PLSC 471: American Constitutional Law

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Article I, Section 8

(Congress) “shall have the power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general welfare of the United States.”

Import Taxes

- Taxes on goods coming into the U.S., or goods in transit
- Primary source of revenue for the U.S. government prior to 1900
- Restrictions (→ *geographic uniformity*):
 - Art. I, sect. 9: “No tax or duty shall be laid on articles exported from any state.”
 - Art. I, sect. 9: “No preference shall be given by any regulation of commerce or revenue to the state over those of another.”

Direct Taxes

- = “head” (capitation) taxes
- Limited by apportionment: Article I, Section 9 : “No capitation, or other Direct, tax shall be laid, unless in proportion to the census or Enumeration herein before directed to be taken.”
- **Direct taxes had to be apportioned on the basis of state population**

Indirect Taxes

- = “excise” taxes
- Taxes on goods and services, and their use or sale
- Like import taxes, indirect taxes must be geographically uniform
- E.g. the U.S. can't have a higher cigarette tax in GA than in OH

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→ Sixteenth Amendment:

"The Congress shall have power to lay and collect taxes on incomes, from whatever sources derived, without apportionment among the several states, and without regard to any census or enumeration."