

# PLSC 471: American Constitutional Law

Christopher Zorn

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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 ( $\rightarrow$  *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.”

# Types of Taxes

## 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**

# Types of Taxes

## 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

# The Income Tax

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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."*