



Friends,

The past several months I have been able to meet with people across this country. One thing is clear: America craves for real solutions to the problems we face. That's why I'm running for President of the United States!

Sincerely,

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## Herman Cain's 999 Plan

### Vision for Economic Renewal

- The natural state of our economy is prosperity. Freedom ensures that.
- In order to return to prosperity, Government must get off our backs, out of our pockets and out of our way

### 9-9-9 Plan: Summary

- Removes all payroll taxes and unites all tax payers
- Provides the least incentive to evade taxes and the fewest opportunities to do so
- Lifts a \$430 billion dead-weight burden on the economy due to compliance, enforcement, collection, etc...
- Is fair, simple, efficient, neutral, and transparent
- Ends nearly all deductions and special interest favors
- Features zero tax on capital gains and repatriated profits
- Exports leave our shores without the Business Tax or the Sales Tax embedded in their cost, making them world class competitive. Imports are subject to the same taxation as domestically produced goods, leveling the playing field.
- Lowest marginal rates on production
- Kills the Death Tax
- Allows immediate expensing of business investments
- Eliminates double taxation of dividends
- Increases capital formation which aids capital availability for small businesses
- Increased capital per worker drives productivity and wage growth
- Features a platform to launch properly structured Empowerment Zones to renew our inner cities
- The pro-growth, pro-job, pro-export economic policies of the **9-9-9 PLAN** equals a strong dollar policy

## A Note From Herman On The 999 Plan

One of my favorite criticisms of my 9-9-9 tax reform plan is the one where people indicate they would support the plan if only we could find a way to guarantee Congress could never change the rates in the future.

They must really like the plan to ask for that. Has any other presidential candidate ever been asked to guarantee that the tax rates he proposed could never be changed?

I realize, of course, that much of this owes to the introduction of a new federal tax – the consumption tax – as part of the equation. It makes people nervous because they figure politicians can't raise a tax that doesn't exist. So once the consumption tax is in place, they say, 9 percent will only be the starting point for politicians to raise it and the other taxes, and 9-9-9 quickly becomes 10-10-10, 11-11-11 and who knows what else?

That's why it's nice to have respected economist Arthur Laffer bring a little reality to the discussion in a piece he wrote for the Wall Street Journal. Mr. Laffer, you might remember, was the originator of the Laffer Curve, a notion in economics that demonstrates you get diminishing returns from higher marginal tax rates because they discourage investment and economic growth. Specifically, his Laffer Curve showed that you can collect the same amount of revenue from a lower marginal rate as you can from a higher marginal rate because of the impact the rates have on the economy.

Contrary to some of what you hear in current conversation, the theory of the Laffer Curve was proven correct when Ronald Reagan cut marginal tax rates across the board in 1981, and federal revenues soared. So did deficits, of course, and that's the part you usually hear about. But that's because federal spending soared even more. Excessive spending, not insufficiently high tax rates, was the problem then and it's still the problem today.

So having established Mr. Laffer's credibility on economic and tax matters, it's nice to see that he cuts to the chase about 9-9-9 by pointing out a couple of things.

First, for all the hand-wringing about introducing one new tax, critics seem to lose sight of the fact that we eliminate so many existing taxes that do so much damage to the economy. The payroll tax robs many people of large portions of their take-home pay. We eliminate it. The estate tax forces people to sell family businesses after their founders pass away. We get rid of that, too. The capital gains tax discourages investment – a mistake that contributes mightily to unemployment – by presuming to punish people who profit from putting their capital at risk. With 9-9-9, that comes to an end.

Even worse, the myriad of taxes in our complicated code encourages people to engage in an absurd assortment of tax-avoidance maneuvers, and to spend obscene amounts of money on tax lawyers and accountants just to help them minimize their tax burdens. Mr. Laffer estimates that for every dollar of personal and business taxes paid, another 30 cents is spent just on the expenses necessary to comply with our complicated tax code. Consider that, just in terms of federal taxes alone. If \$2.3 trillion is paid in taxes, that would mean \$690 billion is spend on tax lawyers, accountants and other related compliance costs – because the tax code is so complicated that people can't figure it out for themselves, or because they're looking for ways to manipulate their tax liability.

What could we do for the economy if we suddenly freed up that \$690 billion to be used in more productive ways? What would happen if people stopped making economic decisions that have no purpose whatsoever except tax avoidance?

You know the answer.

Finally, Mr. Laffer points out how silly is the criticism that the rates could be raised in the future. They certainly would not be raised while I'm in the White House. My veto pen would see to that. But yes, future presidents and Congresses can change the tax code. That's true of any tax, any plan or any rate that anyone ever proposes.

But I believe it would be harder for politicians to raise rates under the 9-9-9 plan than it is under the current system. That's because, under the simplified tax code that the 9-9-9 plan achieves, everyone would know if their taxes were being raised. It would be visible and obvious, and people would feel it.

Today, I doubt most people are even fully aware of the rate they pay. With the mangled web of exemptions, deductions and progressive marginal rates, only people who study the matter intently can really be sure. Under 9-9-9, everyone will know that they pay a 9 percent income tax and a 9 percent consumption tax, and that their employers pay a 9 percent corporate tax. Thus, any proposal to raise these rates will hit home instantly, and I have no doubt such an attempt would generate a massive reaction from the populace.

One of the ways I seek to empower the people is by giving them a government whose workings they can actually understand, and 9-9-9 is the centerpiece of that effort. It's nice to have someone with the credentials of Arthur Laffer affirm that it can, and will, work.

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*Human Events.com*

# Paul Ryan Loves That 999 Plan

By John Hayward

Rep. Paul Ryan (R-WI) said in an interview with the *Daily Caller* today that he "loves" the 9-9-9 Plan proposed by presidential candidate Herman Cain, in which the federal tax system would be reduced to a 9% income tax, 9% corporate tax, and 9% sales tax.

Ryan told The Daily Caller in an exclusive interview that Cain's plan shows the GOP presidential campaign season has entered into a more advanced stage where ideas — not just personalities — have come to the forefront.

"We need more bold ideas like this because it is specific and credible," Ryan said. "I'm more of a flat-tax kind of a guy."

The budget chairman went on to say that ideas like Cain's plan could help shape the debate over tax reform moving into 2013.

"It's great to see such bold ideas," Ryan told The DC.

Based on these comments, Ryan is not so much endorsing the 9-9-9 Plan as expressing his appreciation for the way it's moving the debate. "I'm more of a flat-tax kind of guy," says Ryan. Herman Cain is really more of a Fair Tax kind of guy. It's great for America to see those movements join forces and get serious about changing history.

Taken together with supply-side legend Arthur Laffer's thumbs-up in a HUMAN EVENTS interview, Ryan's kind words give the Cain campaign a lot to be happy about:

"I consider Paul Ryan to be one of the brightest minds in Washington, D.C.," said Mark Block, Cain's chief of staff, "and for Congressman Ryan to embrace 9-9-9 shows that he also has the leadership to give the American public bold solutions for our current crisis. Mr. Cain looks forward to sitting down with Congressman Ryan.

"Dr. Art Laffer also wrote a piece praising 9-9-9, so you have two of the most respected people that are dealing with economics in America praising 9-9-9," Block added. "That ... speaks for itself."

It's remarkable to find a dramatic proposal like the 9-9-9 Plan enjoying such an attentive hearing from both opinion leaders and the public. It's a moment that both Flat Tax and Fair Tax proponents have awaited for a long time.

***Man is not free unless government is limited.***  
***-Ronald Reagan***

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## ***The Blaze***

### **Finance Reagan Economist Art Laffer: Cain's '999' is a 'Wonderful Plan'**

Art Laffer, economic adviser to President Ronald Reagan, shared his thoughts Thursday on GOP presidential candidate Herman Cain's "9-9-9" plan during an appearance on Fox News with Bret Baier.

The economist after whom the famous "Laffer Curve" was named, said of Cain's 9-9-9, "I think it's a wonderful plan."

Laffer reportedly lauded the plan's structure, saying it would "lower the tax rate and broaden the tax base" while provide people with the least incentive to cheat on their taxes. He also emphasized the importance of eliminating the corporate tax rate. Fox adds:

Baier then asked him about many critics' belief that the nines in the plan could be raised limitlessly by politicians in the future: "Will we ever have a "20-20-20" plan?"

Laffer said there will always be that problem with politicians and this is a plan the U.S. could benefit from now, as it is a huge improvement from the current tax codes.

"The current tax codes are filled with all sorts of awful ducks, chickens, pigs and turkeys," Laffer said. "They've got to be cleaned out and we have to revamp the codes. I'd really like to see that done."

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*The Washington Times*

## **Club for Growth defends Cain's 999 tax plan**

By Seth McLaughlin

The influential anti-spending Club for Growth defended Republican presidential contender Herman Cain's 999 tax plan against attacks from his GOP rivals, saying that those who warn the federal sales tax component would simply hand Congress another way to levy taxes on citizens "miss the mark."

"Of course a future Congress could raise taxes above the 9 percent levels, but under our current monstrosity of a tax system, Congress already can raise taxes at any time and often has," said Chris Chocola, president of the Club for Growth. "It is on a path to do so yet again next year with the expiration of the Bush tax cuts."

Mr. Cain's plan, he said, may not be perfect, but "it is a truly revolutionary tax reform that would amount to a massive job creating tax cut on investments, savings and income."

"Instead of tearing down ideas that would create economic growth and jobs, the other Republican presidential candidates should produce their own plans to achieve a flatter and more growth-oriented tax code," Mr. Chocola said.

Mr. Cain's plan vows to eliminate taxes on capital gains and dividends, combined with the proposed reductions in corporate and income tax rates would "create an unparalleled economic boom," Mr. Chocola said.

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### **Meet Herman Cain**

Herman Cain has more than 40 years of experience in the private sector where he balanced budgets, created jobs and rescued failing companies. A no-nonsense business leader who has turned struggling companies around to renewed success, Herman's policies will do the same for the United States of America. Herman grew up in Atlanta, Georgia with loving parents and little else. His father worked three jobs—as a janitor, a barber and a chauffeur—and his mother was a domestic worker. Even though these jobs required hard work and little glamour, his parents knew this life was better than the dirt farms upon which they grew up. They also knew that this hard work was the key to achieving their American Dreams.

Herman's parents had two dreams. First, they wanted to own their own house. Secondly, they wanted both of their children to graduate from college. During the segregation era in the Deep South, these aspirations might have seemed lofty, but they knew that if they kept their faith in God, faith in themselves and faith in the greatest country on the Earth, they could achieve. The first dream was realized in a modest brick house on Albert Street in Atlanta, Georgia. After years of saving from his many jobs, Herman's father surprised the whole family, even his wife, by purchasing a home for their family. The second dream was realized when Herman graduated from Morehouse College with a degree in mathematics in 1967. His brother, Thurman, would go on to graduate from Morris Brown College.

Inspired by the work ethic and character of his parents, Herman continued his education by earning his Master's degree in computer science from Purdue University while working full-time developing fire control systems for

ships and fighter planes for the Department of the Navy. Though Herman enjoyed using his talents as a civilian employee for the Navy, he gravitated towards the culture of business.

Herman returned to his home of Atlanta to begin working as a computer systems analyst for the Coca-Cola Company. After considerable success at Coca-Cola, he moved to the Pillsbury Company. Within a short period of time, Herman rose to position of Vice President. Although the comforts of a corner office on the 31st floor of a majestic corporate building seemed satisfying, Herman knew that he needed a challenge. He became the regional vice president of Pillsbury's Burger King division. This meant starting from the "ground up," dodging grease fires and broiling hamburgers. Herman was assigned to lead a low performing region of 450 of their restaurants. Within three years, it became the best performing region in the company.

Energized by overcoming the many obstacles of his job at Burger King, Herman took on the biggest challenge of his career. He accepted the call to become the President and CEO of Godfather's Pizza, a company that was teetering on the edge of bankruptcy. In just 14 months, Herman returned Godfather's to profitability and he led his management team to a buyout of the company. His professional successes garnered the respect and admiration of industry peers who named him the President of the National Restaurant Association. Under Herman's administration, the group grew significantly and began to lobby for the interests of America's restaurateurs and small business owners.

In 1994, as head of the National Restaurant Association, he had the opportunity to speak with President Clinton during a nationally televised town hall meeting. Here, Herman challenged the President regarding the impact on businesses if his health care overhaul proposal were passed. President Clinton attempted to assure him and the millions of viewers watching at home that his legislation would not harm American business owners and their employees.

Herman was skeptical. "Quite honestly Mr. President, your calculations are incorrect," he said. "In the competitive marketplace, it simply doesn't work that way." His words echoed across America, and Newsweek named Herman Cain the primary saboteur of Hillarycare. Through these and other appearances on behalf of the National Restaurant Association, Herman began working with business leaders across all sectors of the American economy. This led to his acceptance of a position on the Board of Directors of the Federal Reserve Bank of Kansas City, and he was subsequently elected their chairman. In this role, he analyzed economic conditions in the region and notified the Federal Reserve of how their policies should respond. Most recently, he hosted a radio talk show, "The Herman Cain Show," on Atlanta's WSB 750 AM/ 95.5 FM. He serves as a regular contributor on several broadcast networks and as a keynote speaker at conferences and events around the nation.

Despite the many professional commitments of his life, Herman continues to enjoy most the time spent with family and friends. As his children got married and had their own children, he knew that he had an extraordinary obligation to do what he could to make this a safe and prosperous nation for them. The paramount joys in his life are his wife, Gloria, his children and his grandchildren.

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