

Taxation, Liberty, and the Bible

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Republican perspective on taxation

Taxation is a religious matter. America's founders understood that Scripture lays out its purpose and amount. In early America's free republic, Christians followed God's tithing laws to support civil government, health, education and social work. Since then, Christians abandoned God's Law and thereby allowed civil government to expand beyond biblical limits. Where God places taxation and the center of human action into the hands of the *family*, American Christians have misplaced it into the hands of *church* and *state*, and government is now upon *their* shoulders. Abandonment of God's Law amounts to forfeiture of responsibility to God for doing His work, which is what allows both church and state to become superpowers. It amounts to exchanging the true God – the only Sovereign and source of liberty – for two false gods (church & state) and capitalizing them. These false gods rob our nation of much productivity. In Christ, men enjoy liberty of conscience to obey God's relatively few and unchanging laws, but under the totalitarian state and a church beholden to it, liberty is infringed by an increasing number of evolving man-made laws based on state prerogatives. In all societies that look for cradle-to-grave security from the state rather than from God, socialism becomes its own punishment. Since Europe abandoned God's Law, Sweden's tax rate has been up to 90%, and taxes in parts of Italy have exceeded 100% (government incompetence prevented the collection of this impossible amount). America's only defense against expanding tyranny is to rediscover the validity of God's Law, "the perfect law of liberty" (Jam. 1:23), and relearn its application.

Biblical tax and the various tithes

Justice (civil government):

Civil government is biblically charged with administering justice (being a terror to evil doers only), not health, education or charity (Rom. 13:1-7). Biblically, civil government is supported *and limited* by a half-shekel poll tax paid by each male from twenty years of age and above (all voting citizens) as a strictly flat tax (Ex. 30:1-16); this keeps civil government small and gives all citizens an equal stake in societal justice.

Health, education & welfare:

Health care, education, poverty relief, and charitable work are personal, religious (not political or institutional) concerns administered via *tithes by individuals*, not *taxes by the state*. The 10% annual *social tithe* (Lev. 27:30-33, Num. 18:20-24) is *individually* directed to education and health, and the prorated 3.3% per year *poor tithe* (Deut. 14:28-29) is given *directly* to the poor without middlemen. In early America, churches built and ran hospitals (Christian ethics were upheld and doctors respected as ministers), Christian families and communities educated their own children and founded schools and universities (literacy in America was vastly superior), and Christian communities met the needs of the poor. Horace Mann remade American culture using the state as the social change agent by first eradicating the Puritan tithing agencies and then imposing an *unbiblical* property tax for compulsory state education (see position paper on *Education*).

The poor tithe and eradication of poverty:

Deut. 15:4 points out that *if* God's laws are obeyed, "there shall be no more poor among you." The modern state, by waging a secular "war on poverty" while violating God's laws, has increased poverty. Obeying God's poor tithe brings

God's blessing (Deut. 14:28-29; 16:12-15) while neglecting it amounts to *grinding the faces of the poor* (Isa. 3:15). When Jesus said in Matt. 26:11, "The poor you will always have with you, but you will not always have Me with you," He was telling the disciples that in *their* lifetime they would not always have *personal* face-to-face contact with Him but they would with the poor. He was indicting Israel's violation of the poor tithe, quoting from Deut. 15:11 that "there shall always be poor people in the land" because those who *should* pay the poor tithe were "hardhearted and tightfisted" (Deut. 15:7). In Mark 10:19ff Jesus was not indicting the rich young ruler for coveting, but rather for failing to keep the poor tithe. Verse 19's unique term *defraud not* (Greek: *apostereiseis*) is used in Deut. 24:14, Mal. 3:5 and Ex. 21:10 in regard to *depriving* or *withholding from* the needy. As with the woman at the well (John 4:18), Jesus pierced the ruler's lawlessness. Because God is not a respecter of persons, Jesus focused on a *specific* sin (sin=transgression of God's Law; 1 John 3:4) that required repentance. Jesus called on the ruler to pay restitution to the poor he had covertly robbed through disobedience (similar to the four-fold restitution that Zacchaeus, in obedience to God's Law, announced he would pay to those *he* had defrauded, prompting salvation coming upon his house). The amount the ruler had *withheld* from the poor over the years, after God's restitution was compounded, amounted to "all he had" (Mark 10:21). Shortly thereafter, in Mark 12:43ff, we meet the poor widow for whom two mites was "all she had." This widow was a likely victim of the ruler's persistence in transgressing God's Law; two centuries earlier her need could have been satisfied because Israel had, despite economically difficult times, maintained on hand the poor tithe offerings for such charitable relief (2 Macc. 3:10 – 600 talents of silver & gold).

Tithing to the church:

America's founders obeyed God's Law, which allows Aaronic priests only a tenth of the tithe for running institutional worship (Neh. 10:38). Today's churches rob the people by demanding the full ten percent and misappropriate God's money by spending it on buildings and programs while slothfully leaving responsibility for the nation's health, education and welfare in the hands of civil government.

Tax exemptions for churches:

America's founders had biblical and historical reasons for establishing a tax exemption for churches. In Ezra 7:23-24, King Artaxerxes of Persia banned levying any tax, tribute, toll, or custom, upon God's house lest "there be wrath against the realm of the king." Against Rome, the early church fought for and gained tax exemption by asserting it was a foreign power, an embassy for God the King in the midst of the land. To tax the church was to plant Caesar's foot on God's neck. Tax exemption is *not* a state subsidy of churches but an acknowledgement of God's sovereignty. The state's threats to withdraw exemptions are an attempt to muzzle the church. Churches that take the state's tax exemptions are not "tax-dodging" and "rich": in 1980 the average pay for American pastors was \$10,348/yr, well below the U.S. poverty line of \$15,000/yr established in 1976, and it wasn't until 2002 that the average pastoral pay exceeded \$40,000 (increasing 25% over ten years, lagging behind the salaries of other professionals). Churches should maintain their 501(c)3 status because the *corporation* is a biblical concept which must be defended, protected, and *reconstructed* (See *501(c)3* paper).

Taxation's modern illegitimate guise

In 1819 the U.S. Supreme Court (*McCulloch v. Maryland*) held that "the power to tax is the power to destroy." State taxes become the engine for social engineering and wealth redistribution; the Bible does *not* give this power to civil government.

Tax exemptions, incentives and debt:

Taxes, tax exemptions, and tax incentives perturb the free market and affect economic actions. Saving is penalized by taxing interest earned, while debt is rewarded by providing deductions on mortgage interest. God's law forbidding debts that take longer than seven years to pay off (Deut. 15) was applied to mortgages up until the early 20th century; the current difficulties America faces involve precisely these long-term mortgages that exceed what God's Law permits (See *Economic Crises* paper).

Progressive taxation:

The Bible forbids progressive taxation: "the rich are not to give more than a half shekel and the poor are not to give less" (Ex. 30:15). Modern America's progressive tax code is not only biblically unlawful, it institutionalizes envy by asserting that the rich *deserve* to pay higher taxes. Envy is internally corrosive to a society for it "rots the bones" (Prov. 14:30).

Income tax:

In I Sam. 8:15-17, Samuel listed the evils Israel would suffer in seeking a king to rule over them. On the list was the king's intention to take, through taxation, as much as God Himself took (10%). America today extracts more than 10% of its citizens' income. When the federal income tax was established (at around 2%), the proposal to set a 10% cap upon it was scorned on the floor of Congress as unnecessary, on the assumption it could never rise that high. That proposed 10% limit had its fundamental basis in I Sam. 8:15,17, the litmus test for living under tyranny. God's Word expressly indicts the modern American state as a bloated, over-reaching tyrant.

Property tax:

God owns the earth and everything in it (Ps. 24:1, Ex. 9:29, I Cor. 10:26), so He alone can tax the land. He does so through tithes, which are not the province of the state but of individuals, the people. To tax property is to tax God, an idea understood by America's founding fathers, who denied Parliament the power to tax real property in the first session of the Continental Congress in 1774. Such taxation is an assertion of the state's authority *over* God, heralding a clash over sovereignty between man and God. God, *not man*, is lord over His creation; He is sovereign by right of ownership.

Inheritance tax:

God's laws on inheritance (Num. 27:8-11, 2 Cor. 12:14, Deut. 21:15-17) require capitalization solely of the family. State seizure of inheritance and property is explicitly prohibited in Ezekiel 46:18: "The ruler must not take any of the inheritance of the people, driving them off their property. He is to give his children their inheritance out of his own personal property, so that none of My people will be separated from his property." Scriptural inheritance is a vital responsibility: it is forbidden to give an inheritance to wicked children (Josh. 15:16-19, Judges 1:13-15). Inheritance tax is a violation of biblical law *and* an assertion by the state that it is the family's firstborn to whom the largest portion of inheritance is due. Marxists promote inheritance taxes to decapitalize the family and build a new Marxist social order. While the Bible gives the family and its God-fearing children the highest priority for a healthy social order, the inheritance tax is the state's assertion of its own priority over the family. The modern inheritance tax *enthrones into law the disinheritance of God*.

Hidden taxes:

Wealth can be transferred through direct taxation or through silent taxes via the tendering of fiat currencies, as in modern America where the dollar is no longer backed by gold. As the value of the dollar drops, wealth is transferred from the people to the entities first in line to receive newly generated credit. Money based on debt always creates such hidden taxes. Art. 1, Sec. 10 of the U.S. Constitution requires that gold and silver alone be legal tender for all debts public and private. This was based on the biblical commands against unjust weights and measures, which are an "abomination to the Lord" (Prov. 11:1). The founders honored the biblical precepts that forbid debauching a nation's currency through the kind of value dilution endemic to fiat currencies not backed by specie metals (Isa. 1:22). People are forbidden to even *possess* such forms of money (Deut. 25:13-14). Unlike legal tender laws, which Noah Webster called "the devil in the flesh," the Constitution protected citizens from being forced to accept bad money in lieu of good.

"Rendering unto Caesar"

The tribute money episode in Matt. 22:17-21 is about sovereignty, not taxes. God's Law forbids the use of fiat currencies or graven images. Jewish shekels were free of idolatrous images and embodied a just weight and fineness of precious metal. The Roman denarius violated both criteria. Jesus called for someone to produce a denarius because He and His disciples didn't use them. That the Jews used forbidden coins was evidence that their nation was under God's judgment (by way of Roman subjugation). The Jews' inquiry about the denarius earned them Christ's rebuke of being "hypocrites" (v. 18). Christ's command was *FIRST* to the Jews to "give back to Caesar that which is his." It was an indictment of Jewish apostasy that they used such fiat coins. *SECOND*, Christ's command was to Caesar to "render unto God" what was God's due, for Caesar was *not* exempt from God's demands. Rome claimed sovereignty, which belongs only to God. God and Caesar are not two equal authorities independently ruling different spheres with absolute power: rather, Caesar and all civil rulers are subordinated to Christ (the King of kings) by God's explicit command (Ps. 2:10-12). In Rom. 13, Paul calls civil magistrates "servants of God" answerable to Him. Rome considered Paul's command to pray for the king (1 Tim. 2:1-2) as blasphemous because Paul was expected to pray *to* the emperor, *not for* the emperor.

What should Christians in over-taxed America do?

The Bible doesn't support tax rebellions or revolution (the American War of Independence was *not* a revolution in the biblical sense but a recovery of the guaranteed rights of Englishmen that were lawlessly abridged). American Christians have a biblical duty to pay our nation's current illegitimate taxes (i.e., paying property taxes for public schools while homeschooling and/or paying Christian school tuition), while working to reform the laws and customs in both church and state systems. God's Law is any peoples' only defense against tyranny. America's founders loved God's Law; to the shame of modern American Christians, His Law has become a controversial topic. "I have written to Ephraim concerning the great things of My Law, but they were esteemed by him to be a strange thing" (Hos. 8:12). To re-establish liberty we must return to the Ancient paths (Jer. 6:16) of our founders and rebuild wisely on their theological legacy. *Tithing & Dominion* by R. J. Rushdoony explains precisely how.