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## Tax Facts Made Simple

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Hey GirlMoguls – It's Girlmogul Lily here - have you noticed that the grownups in your life might seem a bit stressed lately? Well that's could because it's tax time – yup – annual personal income taxes are due in the United States on April 15th. This means that most Americans need to spend a bit of time going over their personal finances and filling out some paperwork – either online or in paper.

Tax day is an accepted ritual for most Americans, but I was wondering how it got started. Luckily I was able to find a tax expert to explain it all. Kate Kelly is a writer and historian who loves digging into our past and making it come alive – you can check out her site at <a href="http://americacomesalive.com/">http://americacomesalive.com/</a> for more fun facts about the past – and read below to understand just what TAXES are all about.



## **FUN TAX FACTS**

By Kate Kelly, America Comes Alive!

Governments, like people, need an income in order to pay for what is needed, and as you can imagine, wars are one of the most expensive undertakings a country can take on. For that reason, the beginning of our system of having our income taxed has its roots in the Civil War. President Lincoln and Congress created a commissioner of Internal Revenue to collect taxes on income; it was repealed ten years later.

In 1894, Congress attempted to revive the income tax but it was declared unconstitutional by the Supreme Court.

In 1913, the 16<sup>th</sup> Amendment to the Constitution made the income tax a permanent fixture in the U.S. tax system. The rates of taxation have varied widely over the years.

One of the biggest changes in the system came in 1943, when Congress passed a law that permitted companies to withhold taxes on wages, and this was vitally important in helping to fund World War II.

While the majority of Americans are resigned to the fact that they are going to have to pay taxes each year, in reading old newspaper reports about people paying their taxes, I found one story about a couple who actually embraced it. On April 15, 1951 a 70-year-old couple in Syracuse, New York received a \$27 refund check for an income tax overpayment. They returned it to the Internal Revenue Collector, explaining their refusal to accept it as being due to their thankfulness for "the opportunity to continue working."

To read more about America's past, please visit <a href="www.americacomesalive.com">www.americacomesalive.com</a>, or on Facebook at <a href="www.facebook.com/AmericaComesAlive">www.facebook.com/AmericaComesAlive</a>. Kate's website is also a wonderful resource for parents and families, providing little-known stories of America's past and information for sharing our rich heritage with children, so be sure to check it out!

Posted by GirlMogul Lily