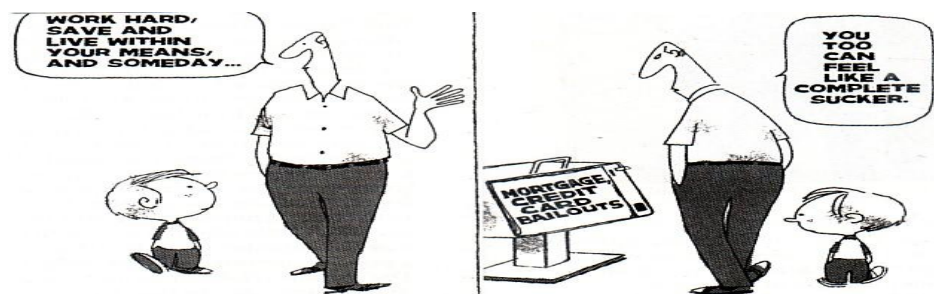




Just in case it matters to you:

- “THE MOST SERIOUS PROBLEM FACING TAXPAYERS IS THE COMPLEXITY OF THE INTERNAL REVENUE CODE” – which has been amended some 14,000 times in the last twenty years (including 500 changes in 2008) and grown by 2.3 million words in the last seven. Compliance costs are in the hundreds of billion dollars, annually consuming the equivalent of some 3.8 million full-time workers to push tax liabilities one way or the other and/or to process paper. Example of absurd redundancy and difficulty: eleven incentives to encourage saving for education and sixteen for retirement, yet “each having different particulars on definitions, eligibility requirements, income level thresholds, phase-out range and inflation adjustments.” According to the ‘Taxpayer Advocate Service’ division of IRS, “tax laws should be simple enough so that most taxpayers can prepare their own returns without professional help... can compute their tax liabilities on a single form, and that IRS telephone assistants can fully and accurately answer taxpayers’ questions.” Don’t hold your breath expecting this soon. [FORBES – Mar 16, 09]
- “INTERRUPTIONS CAN ACTUALLY HELP IN SOLVING A COMPLEX PROBLEM. Taking a few minutes to let the brain’s unconscious thought processes take over... may provide inspirational spaces underlying the ‘Aha!’ moment that leads to important discoveries.” Northwestern Univ. researchers suggest that “distractions can be useful in solving creative problems...when followed by another period of conscious thought in tackling the problem... which is better at then making linear, analytic decisions.” [NORTHWESTERN – Spring 09]
- “NO ONE SITTING DOWN TO DESIGN THE PERFECT GLOBAL FRAMEWORK FOR THE 21ST CENTURY WOULD COME UP WITH ANYTHING LIKE THE CURRENT ONE. The existing architecture is a relic of the preoccupations and power relationships of the middle of the last century – out of sync with today’s world of rising powers and new challenges, from terrorism and nuclear proliferation to financial instability and global warming... Yet, as interdependence among countries intensifies and the list of global problems that the U.S. cannot resolve on its own grows, the benefits of international institutions will *increase* – as many current problems require continuous attention rather than one-shot solutions... In an anarchic world of self-interested states – that is to say the real world – the chances that those states will cooperate are best when a hegemon takes the lead. There are, of course, good reasons to question whether the U.S., the *only contender* for such a role today, is up to the task after the Bush administration...did not invest much in international institutions and tended to denigrate them for hindering , rather than enabling, the realization of U.S. interests)... However, updating the current architecture of international institutions, which are so out of sync with the modern world, is imperative if new global challenges are to be met and the national interests of the U.S. are to be best advanced.” [FOREIGN AFFAIRS – Mar/Apr 09]
- THE DAYS OF EUROPEAN AND ASIAN TAX HAVENS APPEAR TO BE NUMBERED. After years of pressure from the European Union, Organization for Economic Cooperation & Development, and America, several major tax haven countries announced last week they are “loosening their strict bank secrecy laws... to make tax evasion much more difficult.” Once Switzerland submitted to “immense pressure from the U.S. leading to transfer of data on 300 suspected tax evaders from UBS Bank... which some have interpreted to mean ‘the end’ of Switzerland as a global banking leader,” the countries of Lichtenstein, Andorra, Austria, Luxembourg, Hong Kong and Singapore quickly followed suit – no longer willing to be “named in the same breath with tax havens like the Bahamas, Monaco, and Channel Islands.” [SPEIGEL ONLINE – Mar 13, 09]



- THOUGHT FOR THE WEEK: