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What if we could choose where our taxes go?

By Farah Stockman | Globe Staff

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This is the time of year I usually start thinking about filing my taxes. It's late, I know. But I have a hard time facing it. All that paperwork is enough to make the most ardent liberal fantasize about a flat rate. The worst part is that no one ever lets you know what good your money does. You don't even get an itemized receipt.

According to a [tax calculator by a group called Third Way](#), here's what my \$22,000 in federal taxes bought last year: \$4,462 worth of Social Security (not bad if it still exists when I'm old) and \$4,436 for the military (I know I'm splurging, but those fighter jets aren't going to build themselves).

I spent \$2,966 on Medicare, \$2,012 on low-income assistance, and \$741 on unemployment compensation. (Had I given that to a private charity, I'd at least get a "thank you" note telling me how awesome I am.) Interest on the the national debt cost me \$1,625. If I could just pay that down, I'd be able to afford Medicaid, which cost almost the same amount.

My tab with the federal government, which includes \$2.53 to run the White House and \$96.57 for the IRS, adds up to a hefty amount. But the truth is, I would gladly kick in a couple extra bucks for some items: Education, which cost me \$466. Or foreign aid, which cost \$132.

That got me thinking: Would other Americans be willing to pay higher taxes if they had control over where the money went?

If the government allowed at least some of our taxes to go to what we care about most, would some of us pay more?

Catherine Eckel, an economist at Texas A&M University, thinks so.

She conducted an experiment that gave volunteers \$20, with the option to pocket it all or to donate some to the federal government. Eighty percent choose to donate, giving an average of \$1.68 each. When Eckel allowed them to target their donation to two specific federally funded programs, people gave far more: an average of \$4.04 to disaster relief and \$5.52 to cancer research.

“People are willing to give close to three times as much when they can target the money,” Eckel said.

What would happen if Tea Party members could send their taxes to pay down the national debt? If progressives could pay for social programs? If hawks could fund the military?

Obviously, you can't run a government like this. But if people were allowed to direct at least a portion of their taxes to what they care about most, wouldn't they be happier paying taxes? Wouldn't they be willing to pay more?

That might sound crazy. But each year for the past decade, more than 1,000 people in Massachusetts have voluntarily paid higher taxes. It started off as a joke. In 2002, after the state dropped its state income tax rate from 5.85 percent down to 5 percent, [Citizens for Limited Taxation](#) filed a bill to preserve the option of paying the old rate.

“We filed it to be sarcastic,” recalled Barbara Anderson, the group's executive director. “Liberals liked to come up and say, ‘I'm happy to pay more taxes.’ We thought it would be fun to give them what they want.”

Anderson didn't think anyone would actually pay it. But so far the measure has generated a total of about \$2.4 million. That's not enough to put a dent in the state's \$35 billion annual budget. But it ain't zero. The Texas experiment suggests that more people would choose this option if they could send the extra taxes to something they care about — the governor's early education proposal, for instance. Or to repair a specific road or bridge.

I asked Anderson, who is philosophically opposed to giving the government more than she has to, if she likes that idea.

“I have often wondered what would happen if, when you paid your taxes, you could check off the things that you want your taxes to go to,” she said.

Anderson doesn't trust the government to do what it says it will with her money. But she tells me she once voted for a temporary local tax increase so that the town of Marblehead could buy a piece of open land to preserve it as a park.

“When I absolutely know where the money is going, and it can't go anywhere else, then yes,” she said. So maybe we are onto something here. Maybe this idea really could help solve our fiscal woes. Of course, that might mean more paperwork at tax time. But I'd feel better about filling it out.

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