THE CONSTITUTION WITH CARL

Volume 17 - The Sixteenth Amendment - The Income Tax

The Income Tax

Central question: How does the government pay for what it does, and who decides the tax?





Every government needs money to do its work. Roads, courts, soldiers, and mail carriers do not work for free. In the United States, the Constitution hands the taxing power to Congress, and the people choose the Congress. That is the short answer to this book's central question: the government pays for what it does with taxes, and the people's elected lawmakers decide the tax.

This volume is about one tax, the tax on incomes, and about one old rule that stood in its way for eighteen years. A Supreme Court decision in 1895 said a tax on income from property was a kind of tax the Constitution requires to be divided among the states by population, a rule called **apportionment**. Dividing an income tax that way made it nearly impossible to run. The Sixteenth Amendment removed that obstacle.

Hold one fact carefully from the first page: this amendment did **not** invent the income tax. Congress had taxed incomes during the Civil War, half a century earlier, and again in 1894. The amendment changed the rule the tax had to follow. It did not create the tax, and it did not set any rate. Congress sets the rates by law, and it can change them, which is why who decides is half of this book's question.

For ages 7 to 11. Level Up boxes reach to age 13.

START HERE

Meet Carl and the Four Strands

Carl the Cardinal is Ledger Carl in this volume. He sits at a desk with a big open ledger, a pencil, an ink pot, and a small stack of coins. A ledger is a book where money is written down honestly: what came in, what went out, and what it was for. Governments keep ledgers. So do careful families. Carl's rule for both is the same: write down every dollar, and let the numbers tell the truth.

The four strands, kept separate

Strand	What it is
THE WORDS	The amendment itself, in ORIGINAL WORDS, plus a PLAIN LANGUAGE EXPLANATION set apart from it.
THE HISTORY	Evidence from before and around 1913 about why the words were added.
COURTS HAVE SAID	Named cases with years. This is interpretation by judges, labeled as interpretation.
STILL DEBATED	Real disputes that remain. Stated fairly, never as settled fact.

How to use this book

- Read the words aloud first. Then read the explanation.
- Write, draw, point, or dictate your answers. All of those count.
- Every budget, town, and taxpayer in the activities is fictional, and every dollar amount is pretend. No real family money is used anywhere in this book.
- One guardrail runs through the whole book: the Sixteenth Amendment did not create the first income tax. Watch for the earlier taxes on pages 6 and 7.
- Money Sense Book 8, First Paycheck and Taxes, owns taxes at a child's scale: paychecks, withholding, and what a first worker sees. This book owns the constitutional rule underneath. The two books cross paths, and neither repeats the other.
- Family Talk is where the family viewpoint lives. It is never presented as a court holding.

CARL'S TWO QUESTIONS

Carl asks the same two questions about every tax in this book. **First:** what is being taxed, a person's income, or something else? **Second:** which rule does the Constitution give this tax, the population rule or the income rule? Learn to ask those two questions in that order, and the whole fight of 1895 to 1913 makes sense. The worksheet on page 13 is built on them.

MEET CARL BOX

Carl in this volume is a keeper of accounts. A coin on his desk is not treasure. It is a record: somebody earned it, somebody paid it, and somebody wrote it down. Carl trusts a ledger that anyone may open and check. He is suspicious of any tax, or any budget, that cannot survive being written down plainly where people can read it.