

119th CONGRESS
1st Session
H.J. RES. __

Proposing an amendment to the Constitution of the United States to establish a
Citizens' Tax Bill of Rights through the Broad Base of Every Sale of Goods,
Services, and Financial Transactions Tax, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Date of Introduction _____
Sponsor's Name _____

introduced the following joint resolution; which was referred to the Committee
on _____

JOINT RESOLUTION

Resolved by the Senate and House of Representatives of the United States of
America in Congress assembled (two-thirds of each House concurring therein),
That the following article is proposed as an amendment to the Constitution of
the United States, which shall be valid to all intents and purposes as part of the
Constitution when ratified by the legislatures of three-fourths of the several
States:

Preamble

Whereas, all United States citizens deserve an equal opportunity to life, liberty,
property, wealth, and individual sovereignty in pursuit of happiness;
Whereas, a single, neutral, non-progressive, non-regressive, apolitical, and non-
partisan tax system is necessary to fairly distribute the cost of the federal budget
across all segments of the economy;
Whereas, the tax system should apply to the broadest possible base, encompass-
ing all sales of goods, services, and financial transactions, with minimal rules,
regulations, and laws;
Now, therefore, be it

SECTION 1. Short Title

This resolution may be cited as the "Citizens' Tax Bill of Rights Amendment Res-
olution of 2025".

SECTION 2. Definitions

In this resolution:

- (21) **TOTAL ECONOMY OF SALE OF GOODS, SERVICES, AND FINANCIAL TRANS-
ACTIONS (TESST).**—The term "Total Economy of Sale of Goods, Services,
and Financial Transactions" or "TESST" means the aggregate value of all
sales of goods, services, and financial transactions in the United States and
its Territories, excluding internal transfers within personal or business fi-
nancial accounts.

- (22) BBESST.—The term “BBESST” means the Broad Base of Every Sale of Goods, Services, and Financial Transactions Tax established by the amendment proposed in section 3.
- (23) COVERED ENTITY.—The term “covered entity” means any citizen, non-citizen, business, organization, or enterprise residing or operating within the United States or its Territories.

SECTION 3. Constitutional Amendment

The following article is proposed as an amendment to the Constitution of the United States:

ARTICLE __.

Section 1. The sixteenth article of amendment to the Constitution of the United States is hereby repealed.

Section 2. Congress shall have the power to lay and collect a tax on all sales of goods, services, and financial transactions within the United States and its Territories, at a rate not to exceed 5 percent, to be applied uniformly to all citizens, non-citizens, businesses, organizations, and enterprises, excluding internal transfers within financial accounts. The revenue collected shall not exceed the amount necessary to balance the federal budget, and no other federal taxes shall be imposed.

Section 3. No law shall be enacted to favor or disfavor any citizen, non-citizen, business, organization, or enterprise with respect to the tax described in section 2.

SECTION 4. Scope of BBESST

The BBESST shall apply to all covered entities engaged in the sale of goods, services, or financial transactions within the United States or its Territories.

SECTION 5. Tax Rate and Budget Limitation

- (51) RATE.—The BBESST shall be collected at a rate not to exceed 5 percent of the TESST, as determined by the Secretary of the Treasury, to balance the federal budget, not to exceed \$5,000,000,000,000 annually, adjusted for inflation.
- (52) ADJUSTMENTS.—The tax rate may fluctuate based on revenue needs or changes in the TESST but shall not exceed 5 percent unless approved by a two-thirds vote in both Houses of Congress, except in cases of national emergencies declared by law.
- (53) INDUSTRY ADJUSTMENTS.—The Secretary of the Treasury may adjust rates for specific industries to prevent undue burdens that would destabilize or disproportionately affect segments of the economy, subject to congressional oversight.

SECTION 6. Exemptions for Excess Collections

If BBESST collections exceed the federal budget, the Secretary of the Treasury may designate exemptions for essential goods and services, with the goal of reducing or eliminating federal taxes for citizens over time.

SECTION 7. Repeal of Existing Federal Taxes

Upon ratification of the amendment proposed in section 3, all federal taxes, including income tax, estate tax, capital gains tax, excise taxes, and associated regulations, exemptions, and deductions, shall be repealed.

SECTION 8. Exclusion of Internal Transfers

The BBESST shall not apply to internal transfers of funds within a covered entity's financial accounts held in federally regulated banks or financial institutions within the United States or its Territories.

SECTION 9. Tax Collection Procedure

- (91) **AUTOMATIC COLLECTION.**—The BBESST shall be automatically collected by the Federal Reserve System through bank deposits and overseen by the Internal Revenue Service (IRS).
- (92) **PROCESS.**—Upon the sale of goods, services, or financial transactions, the provider or reseller shall add the BBESST rate to the transaction amount. The provider or reseller shall deposit the funds into a federally regulated bank, which shall deduct the BBESST rate and transfer the collected taxes to the Federal Reserve, under the care of the IRS, at the end of each business day.
- (93) **DOCUMENTATION.**—Deposits shall include a deposit slip, deposit receipt, and Standard Industrial Classification (SIC) Code.

SECTION 10. Mandatory Bank Accounts

All covered entities shall maintain a current U.S. bank account for deposits of all sales of goods, services, and financial transactions. This section does not prohibit cash or credit card transactions.

SECTION 11. Self-Enforcing Mechanism

The BBESST shall be self-enforcing. If a provider or reseller fails to collect the BBESST at the time of a transaction, the tax shall be automatically deducted from their deposits by the bank, with no exceptions.

SECTION 12. Penalties

All felony tax punishments are abolished, except for cases of malicious tax fraud, which shall be defined and enforced as provided by law.

SECTION 13. Effective Date and Transition

- (131) EFFECTIVE DATE.—This resolution and the BBESST shall take effect on the first day of the fiscal year following the ratification of the constitutional amendment proposed in section 3.
- (132) TRANSITION.—The Secretary of the Treasury shall promulgate regulations within 12 months of ratification to implement the BBESST, including procedures for phasing out existing federal taxes and establishing exemptions for essential goods and services.