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Only The Little Kardashians Pay Taxes

Kim Kardashian has a lot of money and should pay higher taxes, says a [Courage Campaign video](#). She earned \$12 million in 2010, it claims, but paid taxes only one point higher (10.3%) than middle-class Californians (9.3%). I noted this meant-to-be-shocking revelation [here](#), but this issue won't go away.

Unlike [Mitt Romney](#), Ms. Kardashian isn't running for office, but followers and critics alike care what she pays. The problem, of course, is spending: she is a conspicuous consumer. Seeing her lavish lifestyle makes us think she could **easily** dispense with one or two items and pay more tax. Exacerbating this tendency is the fact that so many Americans already feel they are taxed more heavily than most celebrities and public figures. The haves can use loopholes, we assume, but the have-nots just pay rack rate.

A Harris Interactive® poll commissioned by the [Tax Foundation](#) says **59%** believe they pay a higher percentage of federal income tax than Donald Trump. See [Most Americans Feel They Pay More Taxes Than Trump](#). That is less an indictment of Trump as of our system, enabling the haves to exploit its nuances to the detriment of the have-nots. The knee-jerk reaction: a Kardashian Tax.



California's tax rates are already high, and one must pay federal taxes too. Even those thinking a general tax increase is a bad idea may toy with a **special measure** so the haves cannot avoid their payment obligations. That was Warren Buffett's suggested [Buffett Rule](#). See [The Buffett Alternative Tax](#).

Yet it would be dangerous to unleash it even if it appears to be innocuous. We tried it with the [alternative minimum tax](#) in 1969, and it has grown into our most insidious and counterintuitive tax. See [Will Everyone Pay AMT Next Year? A Congressional Research Service Report](#) says it's only going to get [worse](#). Consider this trend:

- In 1997, about 1% of all taxpayers were subject to the AMT.
- In 2008, about 2.8% of all taxpayers were subject to the AMT.
- In 2012, estimates suggest 20% of taxpayers will face AMT.

Keeping Up? This isn't just for the 1%. In 2008, 27% of the households that paid AMT had adjusted gross incomes of \$200,000 or less. The figure is doubtless worse today.

For more, see:

[In Taxes, Kim Kardashian is More Buff Than Buffett](#)

[Kim Kardashian told to 'pay up' by group seeking tax on wealthy](#)

[Taxing Kim Kardashian](#)

[Flat, Fair And Progressive Taxes?](#)

[Perry's Alternative Flat Tax: Yes We Cain?](#)

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