

## HR 25

### FairTax Act of 2021

**Congress:** 117 (2021–2023, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Jan 4, 2021

**Current Status:** Referred to the House Committee on Ways and Means.

**Latest Action:** Referred to the House Committee on Ways and Means. (Jan 4, 2021)

**Official Text:** <https://www.congress.gov/bill/117th-congress/house-bill/25>

## Sponsor

---

**Name:** Rep. Carter, Earl L. "Buddy" [R-GA-1]

**Party:** Republican • **State:** GA • **Chamber:** House

## Cosponsors (30 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Brooks, Mo [R-AL-5]	R · AL		Jan 25, 2021
Rep. Chabot, Steve [R-OH-1]	R · OH		Jan 25, 2021
Rep. Davidson, Warren [R-OH-8]	R · OH		Jan 25, 2021
Rep. Duncan, Jeff [R-SC-3]	R · SC		Jan 25, 2021
Rep. Foxx, Virginia [R-NC-5]	R · NC		Jan 25, 2021
Rep. Gaetz, Matt [R-FL-1]	R · FL		Jan 25, 2021
Rep. Hice, Jody B. [R-GA-10]	R · GA		Jan 25, 2021
Rep. Loudermilk, Barry [R-GA-11]	R · GA		Jan 25, 2021
Rep. Mullin, Markwayne [R-OK-2]	R · OK		Jan 25, 2021
Rep. Posey, Bill [R-FL-8]	R · FL		Jan 25, 2021
Rep. Walberg, Tim [R-MI-7]	R · MI		Jan 25, 2021
Rep. Cammack, Kat [R-FL-3]	R · FL		Feb 2, 2021
Rep. Clyde, Andrew S. [R-GA-9]	R · GA		Feb 2, 2021
Rep. Moore, Barry [R-AL-2]	R · AL		Feb 2, 2021
Rep. Waltz, Michael [R-FL-6]	R · FL		Feb 2, 2021
Rep. Lucas, Frank D. [R-OK-3]	R · OK		Feb 11, 2021
Rep. Rutherford, John H. [R-FL-4]	R · FL		Feb 11, 2021
Rep. Banks, Jim [R-IN-3]	R · IN		Mar 9, 2021
Rep. Massie, Thomas [R-KY-4]	R · KY		Mar 9, 2021
Rep. Palmer, Gary J. [R-AL-6]	R · AL		Mar 9, 2021
Rep. Bilirakis, Gus M. [R-FL-12]	R · FL		Mar 11, 2021
Rep. Carter, John R. [R-TX-31]	R · TX		Apr 26, 2021
Rep. Young, Don [R-AK-At Large]	R · AK		May 13, 2021
Rep. Wittman, Robert J. [R-VA-1]	R · VA		Jul 13, 2021
Rep. DesJarlais, Scott [R-TN-4]	R · TN		Jul 20, 2021
Rep. Donalds, Byron [R-FL-19]	R · FL		Jul 21, 2021
Rep. Emmer, Tom [R-MN-6]	R · MN		Aug 20, 2021
Rep. Biggs, Andy [R-AZ-5]	R · AZ		Feb 9, 2022
Rep. Norman, Ralph [R-SC-5]	R · SC		Feb 25, 2022
Rep. Good, Bob [R-VA-5]	R · VA		Sep 19, 2022

## Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Jan 4, 2021

## Subjects & Policy Tags

### Policy Area:

Taxation

## Related Bills

No related bills are listed.

## **FairTax Act of 2021**

This bill imposes a national sales tax on the use or consumption in the United States of taxable property or services in lieu of the current income taxes, payroll taxes, and estate and gift taxes. The rate of the sales tax will be 23% in 2023, with adjustments to the rate in subsequent years. There are exemptions from the tax for used and intangible property; for property or services purchased for business, export, or investment purposes; and for state government functions.

Under the bill, family members who are lawful U.S. residents receive a monthly sales tax rebate (Family Consumption Allowance) based upon criteria related to family size and poverty guidelines.

The states have the responsibility for administering, collecting, and remitting the sales tax to the Treasury.

Tax revenues are to be allocated among (1) the general revenue, (2) the old-age and survivors insurance trust fund, (3) the disability insurance trust fund, (4) the hospital insurance trust fund, and (5) the federal supplementary medical insurance trust fund.

No funding is authorized for the operations of the Internal Revenue Service after FY2025.

Finally, the bill terminates the national sales tax if the Sixteenth Amendment to the Constitution (authorizing an income tax) is not repealed within seven years after the enactment of this bill.

## **Actions Timeline**

---

- **Jan 4, 2021:** Introduced in House
- **Jan 4, 2021:** Referred to the House Committee on Ways and Means.