

The Final Round¹

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Novice Scrimmage

Wethersfield High School

October 2, 2010

Resolved: The U.S. should repeal all estate and inheritance taxes.

A Note about the Notes

I've reproduced my flow chart for the demonstration round at Wethersfield High School augmented by what I remember from the debate. The notes are limited by how quickly I could write and how well I heard what was said. Others may have slightly different versions. I'm sure the debaters will read them and exclaim, "That's not what I said!" I apologize for any errors, but I hope debaters will appreciate this insight: what a judge hears may not be what they said or wish they had said.

There are two versions of the notes. The one below is chronological, reproducing each speech in the order in which the arguments were made. It shows how the debate was actually presented. The second is formatted to look more like my written flow chart, with each contention "flowed" across the page as the teams argued back and forth. It's close to the way I actually take notes during the debate.

The Demonstration Round

The demonstration round at Wethersfield was between the Pomperaug team of Tom Mao and Jim Mao on the Affirmative and Joel Barlow team of Henry Knight and Alex Cheu on the Negative. The audience voted in favor of the Negative.

1) First Affirmative Constructive

- a) Introduction
- b) Statement of the Resolution
- c) Definition: noted that Estate Taxes ("ETs"²) apply to the estate and inheritance taxes to the heir. The resolution would eliminate them all, state and federal.
- d) A1³: Estates were already taxed during the lifetime of the deceased.
 - i) This is double taxation
 - ii) It is triggered only by death
 - iii) Makes individuals less likely to save, and wasteful for society

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² This introduces "ETs" as an abbreviation for "Estate Taxes."

³ "A1" indicates the Affirmative first contention, "N2" the Negative second contention and so forth.

- e) A2: People should not be punished for hard work.
 - i) Penalizing effort is a form of “class envy.”
 - ii) Children should reap the benefits of their parents’ efforts.
 - iii) Society should provide an incentive to work and let people keep what they earn.
- f) A3: These taxes are a burden to the economy.
 - i) Giving to the government takes from entrepreneurs.
 - ii) Fewer new businesses and jobs will be created.
 - iii) \$60 billion taken out of the economy.

2) Cross-Ex of First Affirmative

- a) ETs are a disincentive for multimillionaires? Yes.
- b) Why do their heirs have any incentive? They know they can work and earn their own fortune.
- c) Why work if you know you will inherit a fortune? They have the example of their parents.
- d) What is the American Dream? The pursuit of what you want.
- e) What do you have to do to achieve it? Work for success. That is the incentive.
- f) Why would those who inherit have any incentive, when they don’t need to work? They can increase their estate.
- g) In A1 you argue the estate has already been taxed? Aren’t there other examples of double taxation? Yes
- h) Do you believe the government is incompetent? No. But entrepreneurs are more competent. Governments are less productive.

3) First Negative Constructive

- a) Intro
- b) Resolution
- c) Statement: Is Paris Hilton a good role model? Does she deserve to inherit her grandfather’s fortune? More than Medicaid? Education?
- d) N1: ETs are fair
 - i) They only apply to a small percentage of the population that can well afford them.
 - ii) They tax the heir, not the deceased.
 - iii) The tax rate is low due to various exemptions for state taxes and charitable contributions.
- e) N2: ETs yield significant revenues
 - i) The national debt and budget deficit are high
 - ii) In 2008, ETs were 10% of revenue, enough to fund the Dept. of Homeland Security
 - iii) Eliminating ETs would result in a loss of billions
 - (1) 2001-09 they totaled \$190 billion
 - iv) Loss of funds will harm programs like Medicare and Medicaid
- f) N3: ETs incentivize
 - i) Incentivize charitable contributions, as these are not taxed
 - ii) Heirs have no incentive to work
 - (1) They are 4 times more likely to drop out of the labor force.

4) Cross-Ex of First Negative

- a) If you earn less isn't that a disincentive? Yes
- b) So aren't ETs something of a disincentive? ETs don't tax earnings
- c) Given the state of the economy, how efficient is the gov't? The gov't needs funds to make its policies effective.
- d) Are they efficient? Somewhat. They could always be better.
- e) Aren't entrepreneurs more efficient? No. Gov't is well-equipped to perform certain tasks. And politicians consult economists and others on policy decisions.

5) Second Affirmative Constructive

- a) Intro
- b) Resolution
- c) Definitions: note we excluded the gift tax.
- d) A1: This is a moral issue: why take away what has already been earned
 - i) It's a death tax, determined by the deceased's assets.
 - ii) It's unfair to the family.
- e) A2: The Neg agreed that all taxes have some disincentive effect.
 - i) Liquidating one's estate prior to death reduces taxes
 - (1) p.3, McCaffrey, "Savings of rich are crucial," we are talking about bakers and brewers.
 - (2) The incentives are all to shelter income and engage in estate planning
- f) A3: ETs encourage socialism and collectivism
 - i) They contradict the American Dream
 - ii) The Neg agreed that the gov't was somewhat inefficient and needed more funding
 - iii) The costs of this tax exceed the revenue raised.

6) Cross-Ex of Second Affirmative

- a) Which matters more, an aristocracy or social mobility? "Aristocracy" in this sense leads to more money for others.
- b) Aren't you assuming the baker isn't a multimillionaire? If they inherit their wealth, why will they work? The wealthy have an incentive to earn to be able to donate to charity.
- c) So people work in order to contribute? And to produce goods more efficiently.
- d) Which is preferable, Paris Hilton using all the money on drugs or Medicare and charity? Paris isn't the only wealthy person. There are wealthy butchers and bakers.
- e) What about Bill Gates, who is giving his fortune to charity? He would still have had the incentive to build computers.

7) Second Negative Constructive

- a) The American Dream is about working hard to gain riches.
- b) N1 vs A1 and A2: Negative believes there is no right to unlimited riches.
 - i) We aren't talking about millionaire bakers but billionaire entrepreneurs.
 - ii) Excess wealth is immoral and destroys incentives
 - iii) Double taxation exists in many cases, such as income and capital gains tax.
 - iv) The IRS is not at the door of the deceased
 - (1) Calling it a "death tax" is not relevant
 - (2) Gov't needs to do what is necessary to raise revenue
- c) N3: ETs are a significant source of revenue.

- i) Even if it is unfair, it is needed to fund education, Medicare, defense, etc.
- d) N3vs. A3: Efficiency
 - i) ETs are not a large burden
 - ii) Entrepreneurs are not always efficient
 - (1) Churchill notes how large estates sit idle
 - iii) Gov't is efficient in managing education, Medicare, Defense
 - (1) They often employ contractors
- e) The very wealthy should not deny the American Dream to their heirs
 - i) It's Paris Hilton versus Bill Gates and Warren Buffet

8) Cross-Ex of Second Negative

- a) You said the tax isn't a large burden? Yes
- b) Doesn't money in the hands of entrepreneurs lead to jobs? Don't really trust that fact. The gov't spends and it goes into investments. Even bureaucrats spend.
- c) What evidence do you have for this? Money doesn't disappear.
- d) You said the gov't needs to do things we aren't comfortable with? Yes
- e) So gov't is responsible for evil? Others are responsible too.
- f) But the gov't is responsible? Can't blame them for the down turn.
- g) What examples do you have for gov't spending? For example, a fighter contract.
- h) How is this a good use? We like a well-equipped air force
- i) How do you know it's good? Lockheed is a good corporation.

9) First Negative Rebuttal

- a) There are three issues in the debate: Fairness, Economic Benefits and Incentives
- b) Fairness: N1 vs A1 and A2
 - i) Double taxation
 - (1) ETs are mostly on unrealized capital gains, not previously taxed income
 - (2) Exists in other areas, such as income and sales tax
 - ii) Moral argument
 - (1) The IRS taxing an estate at death does not harm the American Dream
 - (2) American Dream is about hard work, not inheritance
- c) Economic Benefit: N3 vs A3
 - i) Medical, education and defense cost billions
 - (1) ETs pay for some of this
 - ii) Who do you trust more, gov't or entrepreneurs? Neg trusts the gov't.
- d) Incentives: N3 vs A3
 - i) If you inherit, why work?
 - ii) Giving to charity is not work
- e) I urge you to vote negative

10) First Affirmative Rebuttal

- a) N1: Neg says ETs are fair as they are a small %-age
 - i) But the amount is large
- b) N2 vs A3: The Neg asks who do you trust?
 - i) Aff trust entrepreneurs
 - ii) According to the Heritage Foundation, ETs are costing us 170-200K jobs
 - iii) Aff admits the gov't makes mistakes
 - iv) Entrepreneurs not given a chance due to ETs
- c) American Dream

- i) Children work hard
 - (1) ETs discourage hard work because you lose what you make to taxes
- ii) Aff agrees ETs will be higher in 2011—may not be negotiated down

11) Second Negative Rebuttal

- a) Aff World
 - i) All estates passed through to heirs
 - ii) If you are taxed, you'd be a bum with no incentive
 - iii) But this implies the money will be idle and unused
 - iv) Everyone just wants to amass wealth
 - v) The fact is we are only taxing the 3 million or so who can afford it
- b) Neg World
 - i) Everyone has an incentive to work
 - ii) You can make your own fortune, but you can't establish a dynasty
 - iii) Neg trusts the gov't
 - (1) Banking crisis shows bonuses are used for boats, planes and drugs
 - (2) Do you trust the gov't or Paris Hilton?

12) Second Affirmative Rebuttal

- a) Intro
- b) Resolution
- c) I will go over the Neg then the Aff
- d) N1: ETs are fair, largely because only a few are affected
 - i) Not certain this will continue, could increase
 - ii) Will increase in 2011 if no action is taken
- e) N2: Revenue
 - i) Neg admits the gov't is only somewhat efficient
 - (1) Therefore it is somewhat inefficient
 - ii) Neg says they don't trust the Heritage Foundation
 - (1) Investors Business Daily knows more than Neg does
- f) N3: Incentives
 - i) They agreed in cross-ex that all taxes are something of a disincentive
 - ii) Gov't as overseer of the economy
 - (1) Neg says gov't does what we are uncomfortable with
 - (2) If the gov't is effective, why is the economy so bad
- g) Paris Hilton really isn't relevant. The right to pursue the American Dream is.