

Kingdom Congress of Illinois

Position Paper on Graduated Income Tax: Religious Mandate

The predominant role of religion is two-fold: one, to restore men to God by preaching, teaching, and making disciples of men (Mt. 28:19-20; Mk. 16:15-16) and two, to speak into the policies and practices of men, thus fulfilling the church's role to be the pillar and ground of truth (I Tim. 3:15).

In fulfilling the mandate to restore people, the church presents the gospel of reconciliation by preaching Christ and Him crucified (I Cor.1:23) and also shows forth the good works of Christ in charitable deeds (Titus 3:8; Heb. 10:24). The church is empowered to collect tithes, offerings, and alms to aid in the works of charity and to support the propagation of the gospel.

To fulfill the role of holding a plumb line for aligning man's activities with heaven's patterns, the church has been entrusted with the presentation of God's Word and His precepts. Therefore, the Church must search the scriptures to discover truth and must also remain faithful to announce and defend the commandments of God. Understanding and applying God's commandments will preserve the integrity of society and advance the knowledge of Christ's Kingdom. The church must remain faithful to guard the truth and uphold the commandments throughout seasons of cultural acceptance or times of persecution.

This position paper will examine the scriptures to exegete passages and extrapolate principals concerning the Bible's view of taxation. The following three areas will be the focus of this position paper: a biblical case for civil taxation, the items that may and may not be taxed, and the fair tax burden.

A Biblical Case for Civil Taxation

Throughout the pages of scripture, we find that God has always appointed a people that would be His representatives on the earth. Adam was created in God's image and after His likeness (Gen. 1:26). Examination of the Hebrew words used in the Genesis narrative reveals that *selem* is the word translated as image, meaning a representative figure or a resemblance, and *demut* is the word for likeness, meaning to be like. Adam was to image God's personhood, which he could do because he possessed God's communicable attributes. As someone observed Adam, they would be able to see God reflected in Adam's being in a manner that no other part of the created world could communicate. (Jn. 14:9; Ps. 19:1-3) Adam was to be like God, which he could do because he was given authority to represent God's interest within the sphere of his assignment – the earth (Gen. 1:27-28; Ps. 8; 115:16). Adam was mandated to act like God would act, thus insuring that counsel of heaven was enacted upon the earth. Adam was God's vice-regent or ambassador.

Although Adam failed in his assignment to *selem* and *demut*, God did not reverse His plan for man but, rather, began appointing other replacement Adams who would serve in the role of God's representatives. The Bible reveals that God offered this role to men when he offered to them a covenant. The covenant not only restored relationship between God and His people but also identified God's co-laborers who would carry out the call of reflecting God's nature and representing God's edicts upon the earth.

Early in the Biblical narrative, we are introduced to a man named Abram, whose name was later changed to Abraham. God cut covenant with Abraham and informed Abraham that he would be the father of many nations, including the nation of Israel, whose assignment to *selem*

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and *demut* frames the majority of the Old Testament. At the introduction of the New Testament, we find that the other nations promised to Abraham come into more focus concerning the discussion of covenant. The redeemed from every nation are joined with the redeemed from the nation of Israel to make one new covenant people called the Church, which now bears the commission to image Christ and represent His Kingdom on the earth.

Covenant between God and His man/His people is the underlying theme of both Testaments – Old and New. Looking at the covenant between God and Abraham sheds good insight on the concept of covenants in general as well as the promises and obligations that are exchanged between each party in the covenant. In Genesis 15:1, God offers Abraham a covenant as He announces, “I am they shield, and they exceeding great reward.” By this covenantal language, God was offering protection (shield) and access God’s assets (exceeding great reward).

In the context of covenants, pledges were made wherein the one offering the pact and the one receiving it willingly exchanged portions of their given assets and whereby each party received a desired benefit. Abraham would doubtless profit to have God’s protection and the bounty of the Almighty. God would, by way of the covenant, secure an earthly representative who would *selem* and *demut*.

Biblical covenants are activated by paying the tithe, which is the top 10% of increase on all assets possessed by the recipient of the covenant. Abraham paid tithe in Genesis 14:18-20. The wording exchanged when the tithe was paid is extremely important. God was declared to be the “possessor of heaven and earth” and “the most high God, which hath delivered thine enemies into thy hand.” This verbiage is the reflective of God’s pledge to provide ‘exceeding great reward’ and ‘shield or protection’. God fulfilled his covenant promise. In response, Abraham tithed. Abraham verified his covenant promise when he offered a representative portion of his life to his covenant partner.

Further validation for the tithe, or the covenant tax, is found when God appeared to Jacob, the grandson of Abraham. Genesis 28 recounts the story when God offered assets – “the land on which you lie, to thee will I give it and to thy seed” and God offered protection – “I will keep thee in all places and bring thee again into this land.” Upon God speaking ‘exceeding great reward’ and ‘shield or protection’ of covenant language, Jacob responded by saying, “of all that thou shalt give me, I will surely give the tenth unto thee.” Jacob activated the covenant by bringing into the exchange his assets. If that portion, which was God’s, would be Jacob’s then that portion, which was Jacob’s, would be God’s. Exchange is the essence of the biblical covenant.

One more reference to the covenant tax is found within the book of Malachi, which admonishes, “Bring ye all the tithes into the storehouse . . . and prove me now herewith, saith the Lord of hosts, if I will not open you the window of heaven and pour you out a blessing, that there shall not be room enough to receive it. And I will rebuke the devourer for your sakes, and he shall not destroy the fruit of your ground; neither shall your vine cast her fruit before the time in the field, saith the Lord of host” (Mal. 3:10-11). Again the covenantal language of ‘exceeding great reward’ and ‘shield or protection’ is promised by God and is activated when the covenant recipient brings to the trading floor his representative portion, the tithe or covenant tax.

Throughout our society, contracts are the common way for business between two parties to be conducted. Each party in a contract brings determined assets and enters into a negotiation on how their assets will be exchanged. Each party gives and each party receives, and contracts are legally binding on both parties throughout the duration of the contract. Although human

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contracts are limited in scope when compared to God's covenant with man, the point that each party brings assets into the contract serves as an applicable example.

Another testimony from the business world can be gleaned when looking at fees assigned for services rendered. Consumers can request a service from a vendor. Both the consumer and the vendor sign a contract delineating the specific terms of the services and the fee structure attached. The fees serve not only as a just reward or payment for services provided but also obligate the contractor to furnish the agreed upon service. Once the fee is paid, the agreement is activated and the contractor is under legal obligation to perform the terms of the contract. In like manner – albeit again limited in scope – the tithe is likened unto the payment of the fee that activates the 'exceedingly great reward' and 'shield or protection' aspects of the services promised by God.

The tithe can legitimately be considered God's covenant tax and, as such, provide keen insight into the biblical perspective of taxation. When the civil realm levies a tax upon its citizens, it is doing so as a covenantal exchange. The civil realm promises to provide the shield or the protection of the people from enemies outside of the nation and from criminals within the society. Inherent in the civil realm's role is also the great reward portion; because the wealth, natural resources, and other social benefits of the nation are enjoyed by all the citizenry. For this shield and great reward, which the civil realm brings to the covenant table, the recipients or covenant partners pay a tax.

Taxation is, therefore, covenantal in nature. It implies a sovereign power, who offers, and a benefactor, who receives. Biblically speaking, all earthly sovereigns derive their power from God and answer to him in their administration of that power. Any sovereign who claims autonomous power or who exercises power beyond the limits that God has ordained is subject to God's chastisement or removal from office. Earthly sovereigns who seek to extract a covenantal tax that exceeds 10% on the increase has both claimed sovereign powers greater than God's and has exercised power beyond biblical parameters.

Within pages of scripture, several examples of the taxing power of the state provide a backdrop for our narrative. One of the first accounts found in Genesis 47:13-26 occurs at a time when great famine covered the land of Egypt. As citizens ran out of their supplies, they came to Pharaoh and his administrator, Joseph, to buy grain that Joseph had been stockpiling during the previous seven years of bumper crops. When their money supply ran out, the citizens sold their cattle for supplies. When the cattle were gone, they sold their lands. Eventually there were no assets with which to buy food, so Joseph provided seed to sow in the fields with the agreement that 20% of all increase would be paid into Pharaoh's coffers. Although a case could be made that the payment was as much interest on a loan rather than singularly a levied tax, the amount was high and indicative of a tyrannical nation. The practices of Egypt and Pharaoh were consistently outside of the limits that God places upon a sovereign. Eventually Israel cried out to God because of the hardship of their taskmasters (Ex. 3:7-10), and God sent Moses to deliver his people from tyranny.

Later in the history of Israel after the delivered nation had possessed their own promised land, the people asked God to give them a king. The judge and leader at that time, a man named Samuel, tried to dissuade the nation by telling them about the price they would be forced to pay and the taxes that a king would command (I Sam. 8:11-18). Samuel warned that not only would the king require the citizens to serve as his national and household servants, he would also tax them 10% on all the produce of their fields and on their livestock. In the context of Samuel's

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warning, a tax as high as God's tithe was considered to be a negative consequence and an overreach of the civil realm into the private assets of the citizens.

After the monarchy was fully established, the grandson of King David, Rehoboam, inherited the throne (I Kings 12). He determined to increase the burden of taxation upon the people much heavier than had his predecessor, his father Solomon. The people revolted. They replied, "What portion have we in David, neither have we inheritance in the son of Jesse?" They were unwilling to continue any covenantal connection with this king whose tax structure robbed the individual's inheritance in order to add to the treasury of the state. Rehoboam sent Adoram to collect the tribute but all Israel stoned him until he was dead. Ten tribes rallied around a man named Jeroboam and named him their king. Two tribes continued to acknowledge David's lineage as their king. Two distinct nations emerged, Judah and Israel, from a people that had been a single nation. The trigger for the national covenantal departure was the issue of a departure from a covenantal tax.

The New Testament admonishes that we pay our taxes (Rom 13:6), and Jesus confirmed the paying of taxes when He stated, "Render therefore unto Caesar the things which are Caesar's and unto God the things that are God's" (Mt. 22:21). Although Jesus' comments may have affirmed the power to tax and the payment of the tax, he set the giving of the tax into the context of rendering to God what God is due. God is the supreme Sovereign, and all subservient sovereigns must render to God the acknowledgement that they derive their power from Him and are accountable to exercise their administration under the jurisdiction of His providence. To tax higher than God's covenant tax, which is 10%, is a direct affront to the throne and God's claimant role as Sovereign Lord.

Because the state is granted the power to use the sword, the state wields a coercive power to force compliance. For the civil realm to seize excessive power and privilege for itself at the expense of its citizens is tyranny, and it results in the people becoming slaves of the state. The biblical role between the civil and its citizens is to be reflective of the covenantal role between God and his representatives. The civil should provide the shield of protection and the shared rewards of that nation's fiscal and social status. The people provide the covenant tax, which should be placed upon the increase of assets and should not exceed God's covenant tax of 10%.

The Items That May and May Not Be Taxed

Scripture requires the tithe to be paid on the increase (Deut. 14:22, 28; 26:12; II Chron. 31: 5-6; Prov. 3:9). In a simpler agricultural society, a farmer would count his harvest and set aside 10% for his tithe. A rancher would count his cattle or sheep and reckon one in ten as the Lord's portion. Even in a more complex economic environment, the business or the individual would be mandated to take count of his assets and render the equivalent of 10% for his tithe. As we have established that the tithe, being God's covenantal tax, is the pattern for the civil covenantal tax, the tax is also to be paid from the increase on the assets. If a business venture or an earned wage yielded high dividends, the dollar volume of paid tax would be greater. If the business venture or work product failed to produce increase, no tax would be collected. The civil, like the church, is permitted to collect the tax or the tithe, respectively, on the increase. The percentage of the civil tax may not exceed the percentage of God's tithe.

The inheritance of the family is not subject to taxation. According to Proverbs 13:22, a righteous man should prepare an inheritance for his children and his grandchildren. This passage

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affirms multi-generational economic transfer or the validity of inheritance. The family structure is another example of a covenantal unit. The parents serve in the role that could be compared to that of the sovereign because they offer the child entrance into the covenant and promise to provide the 'exceeding great reward' or the provisions for the child and the 'shield or protection' or the child's safeguard and defense. They not only provide the world the child will enter but they are supposed to lay up a heritage that the child will manage at the time of inheritance. Commandment 10 sets a boundary around all assets and inheritance that belongs in a family's portfolio and forbids all neighbors from coveting and thus forcibly confiscating by theft, fraud, or collective vote any portion of the inheritance.

The child is required to bring honor to the family covenant, which is the essence of Commandment 5. Honor, within the full scope of its biblical definition, not only means to give respect to the parents but it also embraces the idea of financial support. The child who inherits is required to take care of the aging parents from a portion of the inheritance. Jesus rebuked the Pharisees when they exempted themselves from financial care for their parents by declaring that their money was Corban, or dedicated to God (Mt. 7:11). The child, in metaphoric terms, pays a tax to their sovereign, their parents.

When the civil realm places a tax upon the inheritance, the state positions itself illegitimately into the child's role as it claims to the authority to identify itself as the heir with the right to inherit the family assets. The state then injects itself into the parent's role when it forcibly demands that the child pay an inheritance tax, which serves as a counterfeit replacement for the child's honor or fiscal care for the parent. Inheritance tax is altogether outside of the scope of a biblical pattern for taxation.

The civil realm is also not empowered to tax property. The earth is the Lord's (Deut. 10:14; Ps. 24:1). From His position of Creator and Owner, God delegates portions of His earth to the management of men. The earth then yields its increase to its managers, who then tithe back to God on the increase. Land management is covenantal. For the state to claim the illegitimate power to tax the people who are managing the land amounts to the false claim that the civil is sovereign owner of land and is due the tithe, or the tax, from the land managers. Property tax is a trespass not only against the tax payer but, more importantly, against the Possessor of Heaven and Earth.

Finally, sales tax is not permitted within biblical taxation principles. The exchange of goods through buying and selling is one means by which the owner of a product gains increase. The increase provides the portion from which God's tithe and, likewise, the civil tax is levied.

The Fair Tax Burden

The tithe and the tax are both described in the terms of a percentage. In biblical tithing, all persons, rich and poor, were required to bring the same percentage. The dollar volume would vary depending upon the increase. For example, a rich man may sow and reap in a dozen fields while a poorer man may only own one field in which he can sow and reap. The rich man will, doubtless, have more in his barns and more upon which to tithe. His gift would be larger even though his percentage would be the same. By taxing an equal percentage, the rich may provide a greater dollar amount to the treasury but will not be unequally burdened. The percentage tax is fair to all tax payers regardless of their level of prosperity.

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A graduated income tax, or a tax policy that places a higher percentage on the wealthy, is outside of the scope of biblical patterns. Graduated income tax promotes a covetous society that seeks to establish laws aimed at robbing one's neighbor of the family's assets.

In Conclusion

A society that builds tax laws based upon the needs of a tyrannical civil realm will rob from its citizens and overreach its delegated sovereignty, thus claiming to be its own god.

This Position Paper was written by Dr. Patti Amsden