

I have been telling you for some time now, a number of things that I think we should be doing to make this recession shorter and shallower while minimizing damage to the eventual recovery. You all know that I think the actions of Congress and the President thus far, have been counterproductive. Certainly the markets agree with me at this point.

Well, here is an idea that was sent to me by a concerned citizen. And it's one of the best ideas I've heard yet. So good in fact, that I will be introducing it as a bill this week and talking a lot about it.

The bill would eliminate all Capital Gains taxes for any assets purchased in 2009, regardless of when the asset is sold. So, people would be encouraged to purchase homes, property, stocks bonds and businesses in 2009. This incentive would alter the risk/return ratio and likely spur a great deal of economic activity that is currently paralyzed by fear and uncertainty. And from the federal government standpoint, there might be an increase in revenue to the federal government now as the sellers report capital gains. The "loss" of revenue on the sale would not occur until some years later when the asset is sold and hopefully the government is also on better footing.

This would stimulate lots of job-creating economic activity NOW, with no cost to the taxpayer and no reduction in federal revenues until later.

I'll keep you posted on how much traction this idea gets.