



Taxes and Catholic Social Teaching

Due to the expiration of policies from a 2017 bill, Congress will need to reevaluate our nation's tax system in 2025. Since taxation is an important part of economic life, the Catholic Church has laid out a series of principles to help guide the creation of a just tax system.

Why do we pay taxes?

- The Church teaches that governments have the responsibility to **promote the common good** through ensuring that basic human needs are met in our world.¹ Public authorities also must create mechanisms to provide for the **just redistribution of wealth in society**.² The collection of taxes allows governments to secure the resources necessary to fulfill these responsibilities.³
- The payment of taxes is a responsibility described in Scripture and in Church teaching.⁴ Since taxation can lead to the **crucial assistance of those most in need**, Saint John Paul II called paying taxes an act of solidarity.⁵ Pope Francis has stated that tax evasion is an evil which denies "the basic law of life: mutual care."⁶

What does a just tax system look like?

- The tax system must "**raise adequate revenues** to pay for the public needs of society, especially to meet the basic needs of the poor."⁷ At the same time, taxation should not be so excessive as to drain anyone's resources in this pursuit. Taxes must be **fair**.⁸
- Tax burdens, as Saint John XXIII wrote, must "be proportioned to the capacity of the people contributing."⁹ For example, the US bishops write, families with incomes below the poverty line should be exempt from paying income taxes, and our "tax system should be structured according to the **principle of progressivity**, so that those with relatively greater financial resources pay a higher rate of taxation."¹⁰ One of the most glaring violations of the principle of progressivity in our current tax system lies in sales and payroll taxes which "place a disproportionate burden on those with lower incomes."¹¹
- The tax system should be designed in a way that supports families, farmers, and business practices that strengthen human development.¹²

How should taxes be spent?

- As seen above, Catholic social teaching from Pope Leo XIII onwards insists that **tax revenues must serve the common good** by ensuring basic human needs are met, assisting people in poverty, and securing a more equitable distribution of wealth.
- Governments fulfill these responsibilities by providing access to "food, clothing, health, work, education and culture, suitable information, [and] the right to establish a family,"¹³ by funding "road-building, transportation, communications, drinking-water, housing, medical care, ample facilities for the practice of religion, and aids to recreation,"¹⁴ and by the care of our common home.¹⁵ A special emphasis should be placed on facilitating the **flourishing of families**.¹⁶
- The popes have also consistently taught that, as members of one human family, we must remember that the duty of wealth redistribution **extends beyond our own national borders**.¹⁷ As John Paul II wrote, "The disproportionate distribution of wealth and poverty and the existence of some countries and continents that are developed and of others that are not call for a levelling out and for a search for ways to ensure **just development for all**."¹⁸

¹ *Catechism of the Catholic Church (CCC)*, no. 1908-1912.

² Benedict XVI, *Caritas in veritate*, no. 35-39.

³ Leo XIII, *Rerum novarum (RN)*, 32, 47; *Compendium of the Social Doctrine of the Church (CSDC)*, no. 303, 355.

⁴ Mt 17:24-27; Mt 22:15-22; Rom 13:6-7; CCC, no. 2240; Second Vatican Council, *Gaudium et spes*, no. 30; Francis, *Evangelii gaudium*, no. 56.

⁵ John Paul II, Address of 7 November 1980; see *RN*, no. 32.

⁶ Francis, Address of 2 February 2017; see *CCC*, no. 2409.

⁷ US Bishops, *Economic Justice for All (EJA)*, no. 202. Emphasis added.

⁸ *RN*, no. 47; Pius XI, *Quadragesimo anno*, 49.

⁹ John XXIII, *Mater at magistra (MM)*, no. 132.

¹⁰ *EJA*, no. 202. Emphasis added.

¹¹ *EJA*, no. 202.

¹² *MM*, no. 133; John Paul II, Address of 8 March 1996; US Bishops, *Forming Consciences for Faithful Citizenship (FCFC)*, no. 70, 77; *EJA*, no.

188, 202, 206f, 244c.

¹³ *CCC*, no. 1908.

¹⁴ John XXIII, *Pacem in terris*, no. 64.

¹⁵ Francis, *Laudato si'*, no. 38.

¹⁶ *CSDC*, no. 355; *FCFC*, no. 77; *EJA*, no. 206f.

¹⁷ Paul VI, *Populorum progressio*, no. 84; Benedict XVI, *Deus caritas est*, no. 30; Francis, *Fratelli tutti*, no. 138.

¹⁸ John Paul II, *Laborem exercens*, 2. Emphasis added.