



Abolish the IRS and Simplify Tax Code: Steve Forbes

By [Nicole Goodkind](#)

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The Daily Ticker's Aaron Task sat down with Steve Forbes, CEO of [Forbes Media](#) and noted Republican, to discuss some of the most pressing financial news stories of the week. Read below and watch the video above for Forbes' opinions on the IRS, Eliot Spitzer, Steve A. Cohen, the Federal Reserve and more.

Abolish the IRS

On Tuesday President Obama promoted what he called a "grand bargain," where he would spend more on job creation in exchange for a rewrite and overhaul of the business tax code.

Obama's proposed compromise comes on the heels of [intense scrutiny surrounding the IRS](#) after revelations that its agents targeted Tea Party members and growing concern about a complicated tax code in America.

Republican congress members have so far rejected the President's proposal. "This proposal allows President Obama to support President Obama's position on taxes and President Obama's position on spending, while leaving small businesses and American families behind," says Michael Steel, a spokesman for House Speaker John Boehner (R-OH).

Some republicans are even clamoring to abolish the IRS as a whole. The movement has gained traction in recent days and is supported by Citizens United and by Senators Rand Paul (R-KY) and Ted Cruz (R-TX).

"I want to abolish the IRS and create a new entity," David Bossie, [president of Citizens United](#) told The Daily Ticker in [a previous interview](#). "This organization is so distrusted and so broken, it actually would be a healthy thing for the American people to demand we abolish it and create something new."

"Given the huge scandal and taint [the IRS] has, and it's going to get worse before it gets better, starting over instead of trying to restructure something that's already there is the way to go," agrees Forbes.

"In 2014 and 2016 you're going to see a huge mandate to radically simplify the tax code," Forbes tells The Daily Ticker.

Spitzer for Comptroller

Five years after revelations that Eliot Spitzer had paid up to \$80,000 on high-priced escorts and his subsequent resignation as New York Governor, Spitzer is back in the political arena. This time he's running for New York City comptroller- essentially the CFO of the city.

"For a guy to be in charge of New York pension funds who has huge antipathy to Wall Street -- who abused his powers when he was in office is not what you need in the city and certainly not what you need in the financial industry," says Forbes.

SAC Capital

The SEC probe of SAC Capital has led to insider-trading charges against the \$14 billion hedge fund as well as eight specific employees. Steve A. Cohen -- the company's namesake -- has come under new scrutiny after throwing an [expensive soiree at his vacation estate in East Hampton, NY](#) amidst investigations.

Forbes isn't sure about the moral compass guiding the investigation. "If the government wants to get you," he says, "they've never defined insider trading so if they want to get you they can and one way or another they can drive you out. That's not the rule of law, that's the road to tyranny."

New Fed Head

Larry Summers or Janet Yellen? It's the question on the minds of all those who care about the Federal Reserve. With the almost definite end of current Chairman Ben Bernanke's reign just around the corner, Fed policy is up in the air.

So who does Steve Forbes prefer?

"I'm not going to buy government bonds with either of them going in," he says.