

# Chapter 1: Revenue

## **Extraordinary Budgeting Bill (“EBB”) or the Blubills (“BLU”)**

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### **Section I. Purpose and Intent**

**Whereas**, the federal government has a vested interest in stabilizing the national economy, strengthening domestic industry, supporting small businesses, ensuring fair taxation, providing clarity in nationalization procedures, establishing a unified national currency, and responsibly managing federal debt;

**Whereas**, recent economic reforms have disrupted domestic growth, dissuaded foreign investment, and strained the financial health of citizens, small businesses, and corporations;

**Whereas**, the Democracy of Reddit requires a coherent, unified framework for currency, taxation, nationalization, housing policy, and debt restructuring;

**Whereas**, the Parliament seeks to consolidate multiple economic and governance reforms into a single, comprehensive legislative act;

**Therefore**, Parliament enacts the **Extraordinary Budgeting Bill (“EBB”) or the Blubills (“BLU”)**.

### **Section II. Definitions**

For purposes of this Act:

#### **A. Business Classifications**

- **Class A: Corporations and Large businesses**
  - >500 employees
  - Or Annual Revenue >250,000 cR
- **Class B: Enterprise Businesses**
  - >50 employees but <500 employees
  - Or > 50,000 cR Annual Revenue but <250,000 cR
- **Class C: Small Businesses and startups (Mom and Pop Shops)**
  - <50 employees
  - Or Annual Revenue < 50,000 cR
- **Sub Class 1: Cooperative**
  - Partnership owned and run jointly by members or workers
  - Profits or benefits are shared among members
- **Sub Class 2: For-Profit Business**

- Solely owned or publicly traded
- Generate a profit that goes to the owner or shareholders
- **Sub Class 3: Non-Profit Organization**
  - Formed for Collective, Public, or Social Benefit Rather than Generating a profit
- **Sub Class i: Domestic Business**
  - Incorporated and headquartered in the DOR
  - $\geq 60\%$  of employees work within the DOR
- **Sub Class ii: Foreign Business**
  - Incorporated/headquartered outside the DOR, **or**
  - Incorporated/headquartered in the DOR with  $< 60\%$  domestic employees

## **B. Financial Terms**

- **Security:** A tradable financial asset
- **Currency:** A federally approved medium of exchange
- **cReddit (“c”):** The national fiat currency of the DOR
- **Fiat Currency:** Government-issued currency not backed by a physical commodity

## **C. Nationalization Terms**

- **Nationalization:** Government takeover of private industry or assets
- **Condemned Property:** Property designated for nationalization before title transfer
- **Nationalized Property:** Property after government assumes title

## **D. Provincial Governments**

- “PGs” refer to Multum, Tutum, Eosara, and Alexandria

## **E. Foreign/Private Creditors**

- “F/PC” refers to all federal creditors not citizens or incorporated entities of the DOR

## **F. Taxable Income**

- shall refer to all income earned by a natural person within the DOR, minus allowable deductions established by Parliament.

## **G. Basic Allowance**

- shall refer to the amount of income exempt from taxation to ensure a minimum standard of living.

## **H. Progression Zone**

- shall refer to the income range in which tax rates increase gradually rather than in discrete jumps.

## I. Security

- A tradable financial asset of any kind. Securities can be broadly categorized into:
  - Debt securities (e.g., banknotes, bonds, and debentures)
  - Equity securities (e.g., common stocks)
  - Derivatives (e.g., forwards, futures, options, and swaps).

## J. Single Family Home

- A standalone residence on its own piece of land, designed for one household, featuring private entrances, kitchens, and utilities, without shared systems with other homes

## Section III. Establishment of National Currency and Bank (CCNB Integration)

1. The cReddit (“€”) is established as the national fiat currency.
2. The cReddit shall be accepted as legal tender nationwide.
3. Denominations, minting standards, and landmark depictions shall follow the structure of the CCNB Act.
4. A National Bank is established under the Economic Minister (or president if no minister exists).
5. The National Bank may:
  - A National Bank shall be established to control the flow, value and minting of cReddits who will fall under the discretion of the economic minister. In the event that there is no economic minister by act of the legislature then this bank shall fall under the discretion of the speaker of the legislature.
  - Issue bonds
  - Hold civilian/corporate accounts
  - Issue loans
  - Hold stock acquired through partnership or default
  - May exercise full shareholder rights of stocks that it possesses and may emplace national bank officials as board members to corporations if it feels it is the best way for its shareholder interest to be met.
6. The National Bank may not freely invest in the stock exchange.
7. Fraud, insider trading, and financial crimes by bank officials are punishable to the fullest extent of law.

## Section IV. Debt Restructuring Scheme (DRS2 Integration)

1. The Economic Minister shall request PGs to assume portions of federal debt held by F/PCs.
2. Debt shall be apportioned among assenting PGs.
3. Upon assent, federal loan payments shall be redirected to PGs with an additional **1.25% interest incentive**.
4. At least **two** PGs must assent for the scheme to proceed.

5. Payments shall be administered via the National Bank and made in cReddit.
6. PGs may petition the Supreme Court for a writ of mandamus if the President fails to enforce payments.

## **Section V. Domestic Investment Tax Scheme (DITS Integration)**

1. Citizens and domestic businesses investing in domestic businesses via securities shall pay **0% capital gains tax**.
2. Citizens and domestic businesses investing in foreign businesses shall pay a **5% capital gains tax**.

## **Section VI. Single Family Homes Reservation Act (SFHRA Integration)**

1. Small businesses may own **one** single-family home as a primary residence.
2. A second home may be registered if one is a true residence and the other is a place of business.
3. Cooperatives may own one single-family home per member, with proof of residence.
4. Foreign businesses may not own single-family homes (existing holdings grandfathered).
5. Foreign businesses must sell all single-family homes within one year of enactment.

## **Section VII. Mom and Pop Resuscitation Act (MPRA Integration)**

1. Small businesses shall have a **lowered federal minimum wage of 13 cR/hr**.
2. Provinces may set higher minimum wages.
3. Incorporated small businesses shall have a **10% corporate tax rate**.
  - a. Newly formed small businesses shall enjoy a reduced corporate tax rate of 5% for their first three fiscal years, provided they:
    - i. Maintain at least 80% of their employees within the DOR; and
    - ii. Comply with all wage and labor laws.
4. Sole proprietorships/partnerships shall receive a **5% income tax credit**.
5. Small businesses may purchase a **10-year government bond maturing at 10%**.

## **Section VIII.1 Fair Corporate Tax Act (FCTA2 Integration)**

### **A. Corporate Tax Rates**

1. **Small Businesses & Cooperatives:** 10%
2. **Domestic Businesses:**
  - 3M–25M: 25%
  - 25M–100M: 27%
  - 100M–500M: 31%
  - 500M+: 35%
3. **Foreign Businesses:**
  - 3M–25M: 28%
  - 25M–100M: 32%
  - 100M–500M: 37%

- 500M+: 40%

## **B. Corporate Tax Breaks**

1. **Stock Options Break:** 3% reduction for awarding 1500 cR in stock annually per employee.
2. **Green Energy Break:** 3% reduction for 51% renewable energy usage.
3. **Petty Bourgeois Guarantee Break:** 3% reduction for paying  $\geq .29$  cR/hr.
4. **Union Board Representation Break:**
  - a. 3% reduction for 20% union board representation
  - b. Additional 3% for 50% representation
5. **Research and Development Incentive**
  - a. Corporations that incur qualified research and development (R&D) expenditures within the DOR may deduct 150% of such expenditures from taxable income.
  - b. The Economic Minister shall define “qualified R&D” by regulation, focusing on innovation, productivity, and technological advancement.
6. **Productive Capital Investment Deduction**
  - a. Corporations may immediately expense up to a legislatively determined annual cap of investments in productive capital (e.g., machinery, equipment, digital infrastructure) used within the DOR.
  - b. Parliament may adjust the cap periodically to respond to economic conditions.
7. **Worker Skills Development Program:** 3% reduction for providing workers with educational classes in skilled labor or college credits. Such services may be provided by either the businesses partnering with local educators or providing scholarships for workers to pursue such opportunities independently.

## **Section VIII.2 Income Taxes**

### **A. Section Specific Purpose and Intent:**

The income tax system established in this Section is designed to:

1. Guarantee a minimum standard of living through the Basic Allowance, credits, and allowances;
2. Ensure that higher earners contribute proportionally more to the common good; and
3. Preserve incentives for work, entrepreneurship, and productive investment.

### **B. Income Tax Brackets**

The following progressive tax structure shall apply to all natural persons:

#### **1. Basic Allowance**

- Taxable income up to **12,000 cR** shall be taxed at **0%**.

#### **2. First Progression Zone**

- Taxable income from **12,001 cR to 30,000 cR** shall be taxed at a **progressively increasing rate** beginning at **14%** and rising smoothly to **25%**.
- The Economic Minister shall publish an annual table specifying the exact marginal rate for each income level within this zone.

### **3. Second Progression Zone**

- Taxable income from **30,001 cR to 75,000 cR** shall be taxed at a **progressively increasing rate** beginning at **25%** and rising smoothly to **40%**.

### **4. Upper Bracket**

- Taxable income from **75,001 cR to 250,000 cR** shall be taxed at a **progressively increasing rate** beginning at **40%** and rising smoothly to **45%**.

### **5. Top Bracket**

- Taxable income above **250,000 cR** shall be taxed at **50%**.

## **C. Annual Adjustment**

1. All bracket thresholds shall be adjusted annually for inflation by the Economic Minister.
2. Adjustments shall be published publicly no later than January 31 of each fiscal year.

## **D. Filing and Collection**

1. All natural persons earning income within the DOR must file an annual income tax return.
2. The National Bank shall administer collection and maintain taxpayer accounts.
3. Employers shall withhold estimated taxes from wages and remit them monthly.

## **E. Enforcement**

1. Failure to file or pay income taxes shall be subject to civil penalties and, in cases of willful evasion, criminal penalties.
2. The President and the appropriate cabinet secretary shall ensure compliance.

## **F. Earned Income Credit**

1. Natural persons with taxable earned income between 1 cR and 30,000 cR shall be eligible for an Earned Income Credit ("EIC").
2. The EIC shall be structured as follows:
  - a. A phase-in region where the credit increases proportionally with earned income;
  - b. A plateau region where the maximum credit is maintained; and
  - c. A phase-out region where the credit is gradually reduced as income rises.
3. The Economic Minister shall, by regulation and subject to parliamentary oversight, publish annual schedules for the EIC, ensuring that:

- a. The combined marginal tax rate for low-income workers does not exceed 30%; and
  - b. Work at any income level within the EIC range results in a net increase in after-tax income.
4. The EIC shall be refundable and may reduce a taxpayer's liability below zero.

#### **H. Marginal Rate Safeguard**

1. In designing and adjusting income tax brackets, credits, and allowances, the Economic Minister shall ensure that the combined marginal tax rate on earned income for any income level does not exceed 55%.
2. Any regulation or schedule that would result in a higher marginal rate shall be void unless expressly approved by Parliament.

#### **Section VIII.3 Value Added Tax (shoutout to RPP)**

1. All products sold by individuals, and all businesses, are required to be paid for a flat Value Added Tax, at the rate of 10%. Whenever any value is added to a product intended for sale, this tax is mandated to be calculated and paid within the period of 1 year after the sale of the product is completed. While this cost is passed on to the consumer, the individual or business adding the value, is the entity responsible for paying the appropriate amount.
2. Explanation of how this tax works, with a 10% tax:
  - a. If, hypothetically, a baker buys flour for \$40 and pays the standard V.A.T in addition to the price, the Value added in production of the flour is \$20, then the standard V.A.T the baker must pay, after this sale, is \$2.
  - b. The farmer then takes this \$40 flour, and makes bread. The bread is sold for \$100. The baker added \$60 in value, and the consumer at purchase therefore pays \$6 in addition to the price.
  - c. The V.A.T. is typically passed on to the consumer, and is intended to be more fair than a standard sales tax. While the amount is typically passed on to the consumer, the individual or business adding the value, is the entity responsible for paying the appropriate amount.
3. The legislature hereby holds the right to establish the V.A.T on any product or otherwise, and holds the right to establish an office for the examination and setting of this tax, though any action relating to taxation must be approved by the legislature.
4. The legislature hereby declares that all value added in the production of food items, is required to pay only a 1% V.A.T.
5. Parliament may designate categories of essential goods and services (including but not limited to basic foodstuffs, essential medicines, and primary utilities) subject to a reduced VAT rate not exceeding 1%.
6. No VAT shall be levied on purchases paid by the federal government.

#### **Section IX. Fair Nationalization Act (FNA2 Integration)**



1. Parliament must hold a 24-hour cooling-off period and second vote before nationalization.
2. Public notice with assenting parliamentarians' names is required.
3. Compensation:
  - Domestic owners of private property: **120% fair market value**
  - Foreign owners of private property: **105% fair market value**
  - Public shareholders of securities: **120% share value**
4. Compensation must be paid upon taking title, in cReddit or bonds maturing at **130% FMV**.
5. Enforcement via presidential suit or private right of action for writ of mandamus.

## **Section X. Establishment of a stock exchange**

1. Within one legislative session the President through their duly ordained economic minister (or if one does not exist, by their own powers), shall establish a central stock exchange.
2. This stock exchange must be established in the capital of Callens
3. Public companies must be given the right to trade stock with.
4. The president may regulate the exchange of stock and securities through their economic minister (or if one does not exist, by their own powers).

## **Section XI. Enforcement**

1. The President and relevant cabinet secretaries shall enforce all provisions of this Act.
2. Violations by public entities are subject to civil penalties.
3. Violations by private entities (where applicable) may incur civil or criminal penalties.
4. The Supreme Court may issue writs of mandamus where explicitly authorized.

## **Section XII. Implementation and Oversight**

1. This Act takes effect immediately upon passage.
2. The Speaker of Parliament shall ensure implementation of all sections and report noncompliance within 14 days.
3. National Bank and Stock Exchange activities shall be available for parliamentary inspection.
4. The calculations in this bill assume 1cR = \$1 the economic minister (or the president, through their duly ordained power) shall adjust calculations to fit current value of the credit upon implementation.

## **Section XIII. Amendments and Repeal**

1. This Act may be amended by a simple majority vote of Parliament.
2. Any previous acts or resolutions in conflict with this Act are hereby repealed.
3. Any concurrent act or resolution that passed in the same legislative session that conflicts with this Act are hereby repealed.

**Section XIV. Severability.**

1. Should any section, subsection, paragraph, sentence, clause, or phrase of this Act be adjudged unconstitutional or otherwise invalid by a court of competent jurisdiction, such judgment shall not affect the validity of the remaining portions of this Act, which shall remain in effect to the fullest extent permitted by law

**Section XV. Effective Date**

This Act shall take effect immediately upon passage by Parliament and approval by the President.

## Chapter 2: Spending

## Section I - The Healthcare System

- a. The Federal Government of the Democracy is to create the **Dorian Healthcare System (DHS)**, a public option for our government, to accurately provide healthcare to all of its' citizens.
  - i. The Dorian Healthcare System will provide:
    - 1. Crucial surgeries, including but not limited to heart, lung, and kidney
    - 2. chronic disease management, doctor visits,
    - 3. immunizations, health screenings,
    - 4. gender-affirming care,
    - 5. and synthetic repairs & replacements.
  - ii. The Dorian Healthcare System will be funded by:
    - 1. A sales tax of 15% on all alcohol, tobacco, marijuana and vaping products.
      - a. This sales tax can also be used to fund other government spending.
    - 2. Urgent care fees not covered paid to the federal government.
  - iii. The Dorian Healthcare System will spend:
    - 1. \$315 per capita on healthcare budgeting, with additional costs for synth-specific care

## Section II - Social Security

- a. The Federal Government of the Democracy is to fund the **Social Security Fund** under the Department of the Treasury & Finance, to provide care for the citizens of the DoR.
  - i. After retirement at the age of 65, they will receive a check of ~16.8 cR each two weeks.

## Section III - Education Funding

- a. Education & curriculum funding to the states is to be set at cR \$203 per capita.
  - i. Education must be funded appropriately to each state based on the state's population count.

## Section III - Federal Minimum Wage

- a. The Federal Government of the Democracy is to set a minimum wage of cR 21.6 every 80 hours, or cR 0.27/hr (equivalent of USD 20.25/hr.)
  - 1. Local and city governments may raise or lower this as they see suit, as long as the minimum wage does not go below cR 0.27/hr.