

## Generally Accepted Pros and Cons Of An Alternative Minimum Tax

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### Pros

- Improves the perceived “fairness” of the corporate income tax
- Helps smooth out revenue collections since every corporation pays some tax each year
- Accelerates tax revenues

### Cons

- Can increase administrative costs and complexity for business and government
- Essentially increases the tax liability for businesses during recessionary periods and decreases it in boom periods
- May be paid by few businesses and result in little additional revenue
- May not affect all businesses or industries equally
- May alter timing and other decisions related to capital investment