

WA State is a great place to live in, even in cloudy days, WA is a great place!
BUT, we have an embarrassing situation in our hands, and it has been like that for a while.

WA state's tax code is upside down. We rely too much on sales taxes to fund the services our communities need to thrive. Our current tax code places a greater burden disproportionately on those who make less.

According to a 2015 report from the Institute on Taxation and Economic Policy, middle and lower income households in WA state pay up to 17% of their incomes in taxes while the average rate among the wealthiest households is 3%. **Our tax code asks low income families to sacrifice way more than what it asks from wealthy ones!** Poor families cannot afford this tax rate while they struggle to get out of poverty and make ends meet.

Poverty is something I know about all too well. When I was 2 years old, my father died of cancer at age 39, leaving my mother with a 2 year old and 6 year old to raise and thousands of dollars in medical bills. She had no savings and a 10th grade education. She found a job at minimum wage and worked for this company for 30 years. Needless to say, we were poor! I recall seeing my mother with her head in her hands at the table with bills all around her crying. As a child, I didn't know what to do and I felt helpless.

When I became an adult, I decided to become a social worker. Over the years I have worked with hundreds of impoverished families like mine. I've sat with families as they try to figure out with limited finances - do they pay the electric bill or do they buy the medicine their child needs. No family should have to make those choices. But they do everyday! And as a Social Worker it is heart wrenching to sit there and realize there is very little you can do. Poor families need all their income and should not be paying 17% of their income on taxes. WA has the most inequitable, regressive (**"and backwards"**) tax code in the nation.

Our legislature faces the dilemma this year of funding the McCleary decision (fully funding K-12 education) as well as funding the many other services our state budget provides for, such as mental health services, higher education, job training, etc. In the past when our state faced similar dilemmas, we allowed ourselves to become divided. Different individuals and groups who advocate for different kinds of programs and services have retreated to their own corners to fight for a piece of the pie. We do not want to see that happen again. We want to see all of our community needs be met. We do not want to "rob Peter to pay Paul".

The truth is that WA State has plenty of resources; WA State is home for companies that are world leaders in their industries. There is plenty of wealth in WA State! There is no excuse to not fully fund education and at the same time not to fund other very important services. We shouldn't have to choose between educating our children and offering them adequate social services or a great higher education or great trades preparation programs. We shouldn't have to choose and we don't want to choose, because funding

all of these things, not only is possible, but it is essential if we want a thriving economy that works for everybody in WA State.

So, how are we going to do this? By cleaning up the state's tax code! For too long, powerful special interests have been able to manipulate the tax code in their favor. We lose billions of our tax dollars paying for wasteful tax breaks that benefit special interests and could be invested in services for our community.

Please consider cleaning up the tax code by doing the following:

- 1) Close outdated tax breaks that are no longer fulfilling their original purpose
- 2) Close the capital gains tax breaks on the sale of stocks, bonds and other luxury investments that only benefit the wealthy.
- 3) Reform the business and occupation tax rate that is applied to a broad range of services, such as accountants, attorney and consultants
- 4) Enact a new tax on carbon pollution associated with the production and consumption of fossil fuels

By cleaning up the tax code we'll have more financial resources to invest in our communities, like excellent schools, appropriate physical and mental health care and a good quality of life for all.

DON'T MAKE THE POOR PAY MORE!!