



# TAX JUSTICE

Balance our tax code and support working families  
2021 LEGISLATIVE PRIORITY



## Washington's tax code is broken

Washington State has the best tax code in the country...for the rich. In Washington, families with low- and middle-incomes pay more of their income in taxes than the wealthy. How is that fair?

Low-income families pay 18% of their income in state and local taxes while Washington's wealthiest families pay just 3% of their income.<sup>1</sup> This upside down system perpetuates and worsens income inequality and furthers the racial wealth gap between white families and Black, Indigenous, and families of color.

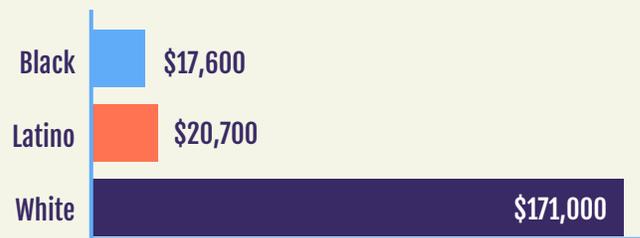
## What do we want?

Because of COVID-19, our state now faces a once in a generation budget crisis with a near \$10 billion deficit. We are at a crossroads: we can make devastating cuts to public education, child care, transportation, health care, and other vital programs or we can ask the rich and wealthy to finally pay their fair share. We can #RecoverTogether with a just tax code by:

- **Creating new and higher taxes on the rich and wealthy** by taxing things like capital gains, employers who pay extremely high incomes to their employees, large inheritances, and windfall profits made by billionaires like Jeff Bezos from COVID-19 sales
- **Putting tax dollars back into the pockets of low- and moderate-income families**, who are most impacted by our upside down tax code, by passing a modern Working Families Tax Credit, a new cash tax credit to create a new cash, tax refund for 1 million Washington families

## THE RACIAL WEALTH GAP IN AMERICA IS STAGGERING

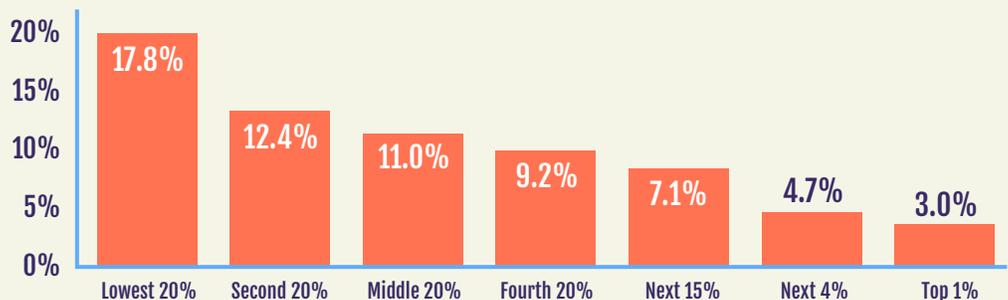
Median wealth by race/ethnicity, United States, 2016



Source: Washington Budget and Policy Center, "Washington's Tax Code Is An Untapped Resource To Advance Racial Justice", 2020

## LOW-INCOME HOUSEHOLDS ARE TAXED AT THE HIGHEST RATE OF ALL WASHINGTONIANS

Washington state and local taxes as a share of annual income by income group, 2018



Source: Washington Budget and Policy Center, "Washington's Tax Code Is An Untapped Resource To Advance Racial Justice", 2020

[1] Text goes right here. Text goes right here.