

Seattle: Creating Progressive Funding for Urgent Public Needs

John Burbank

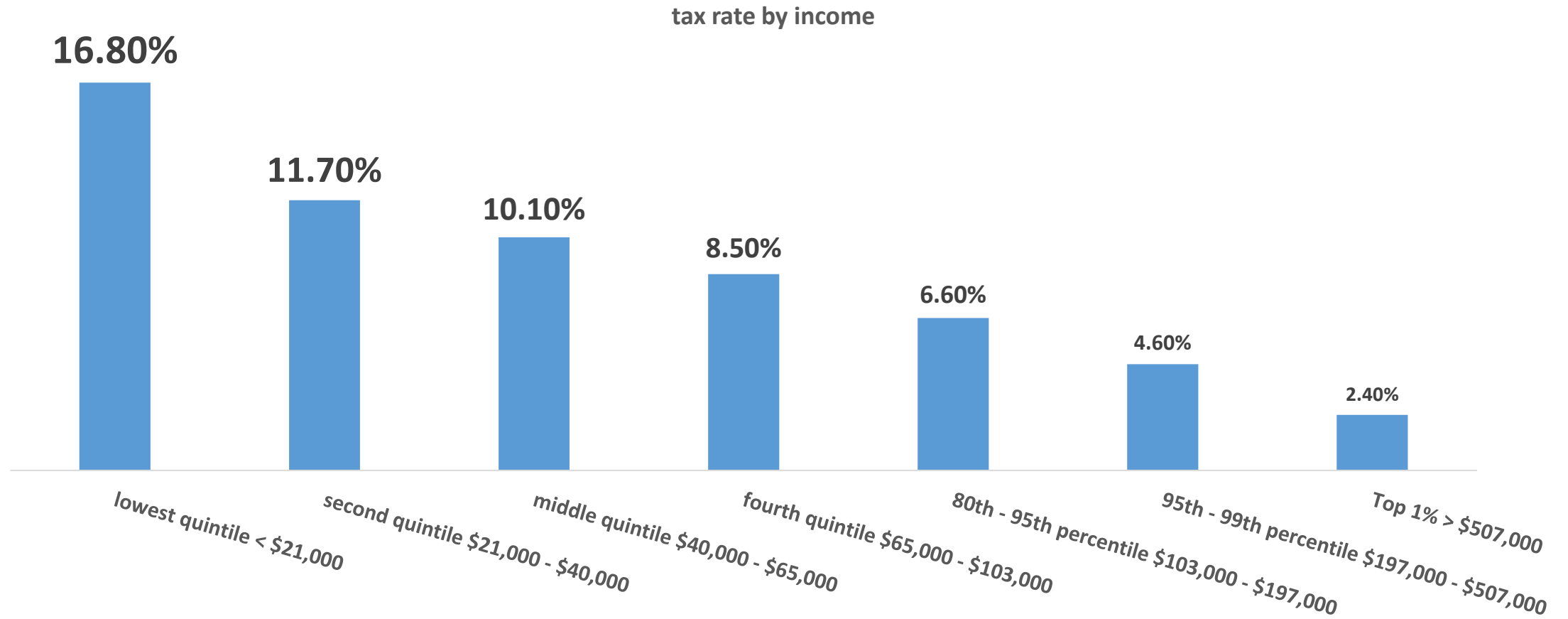
Economic Opportunity Institute

May 23, 2017

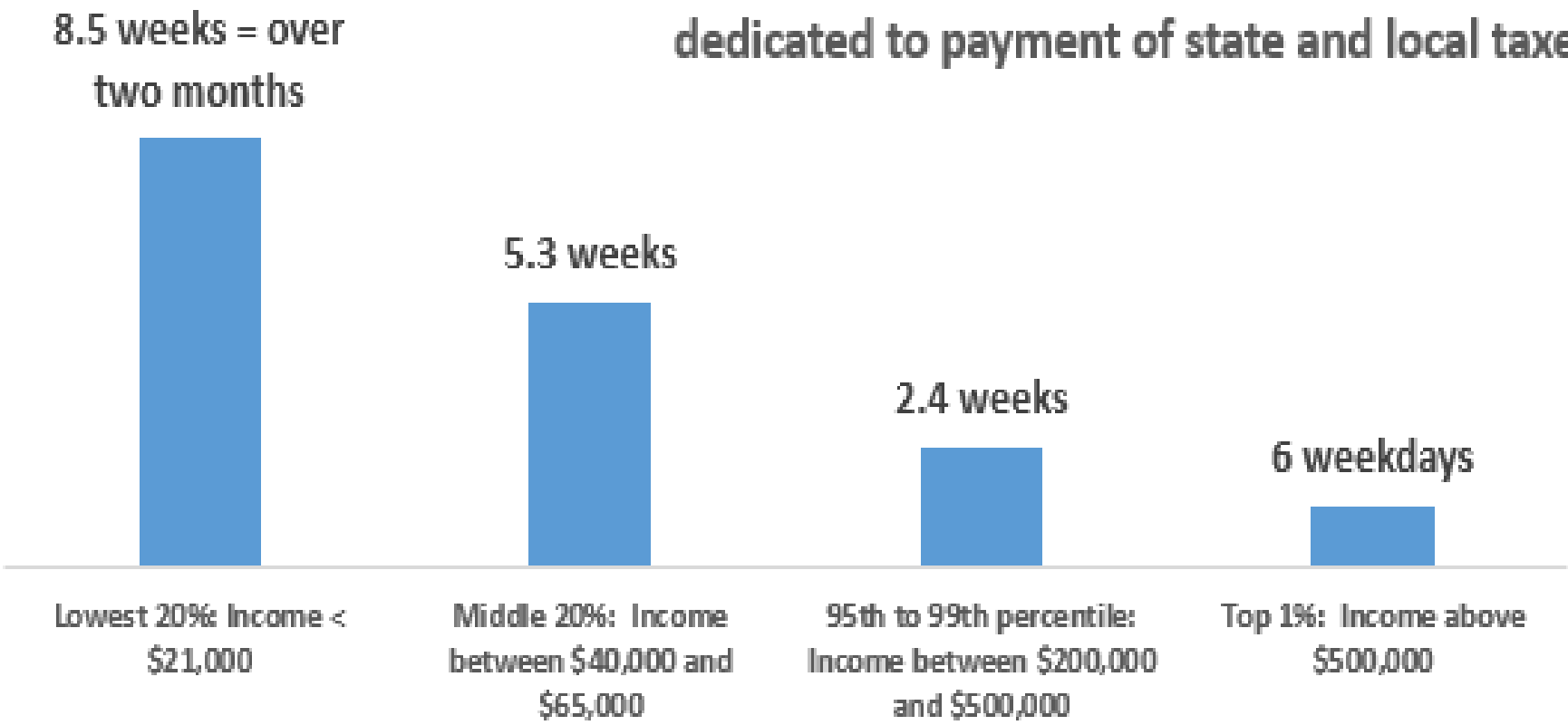


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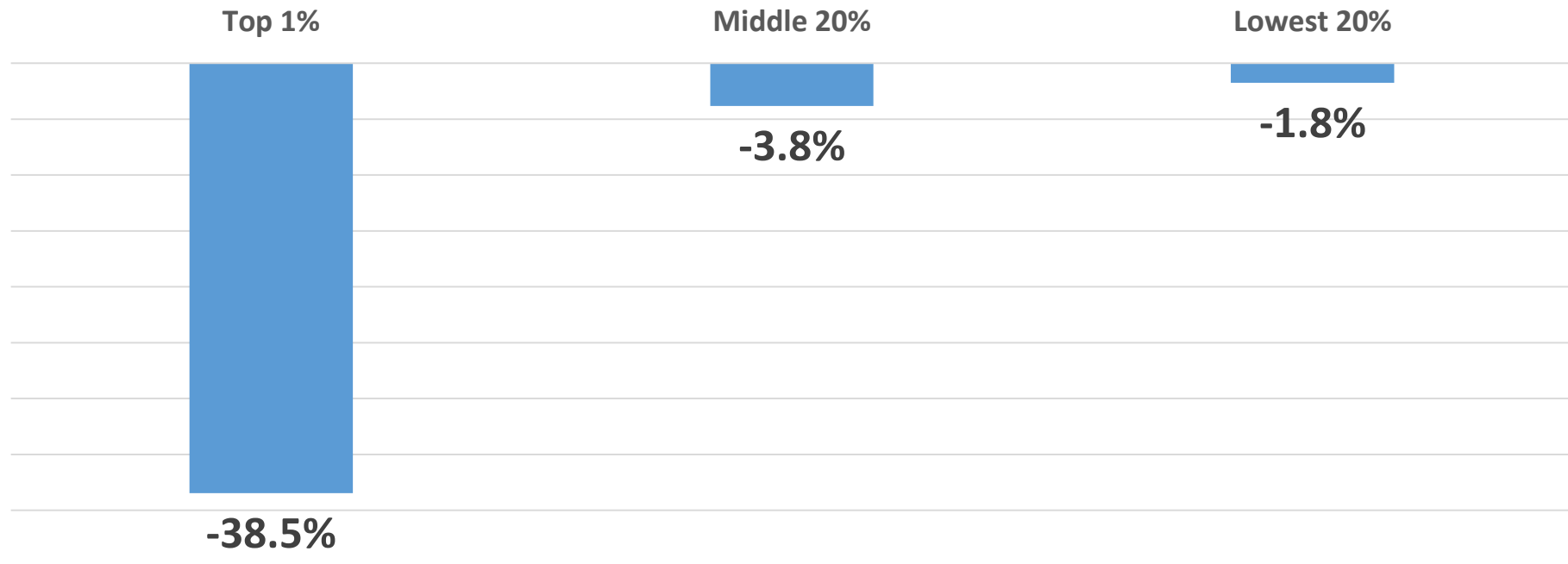
What's Wrong with Regressive Taxes: Our tax system punishes poor and middle class residents and rewards the wealthy



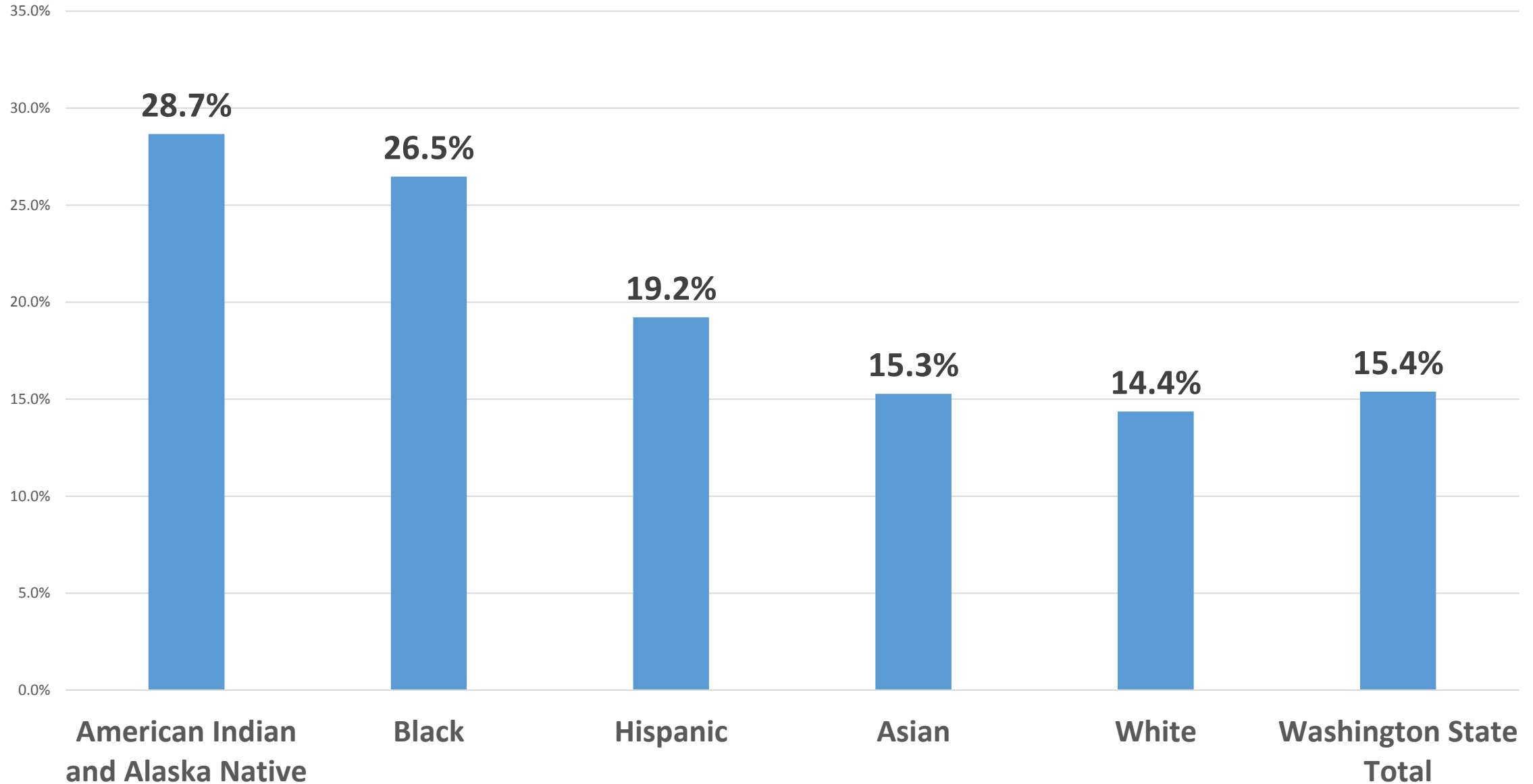
**Number of weeks
dedicated to payment of state and local taxes**



Percentage Decrease in Proportion of State and Local Taxes as percent of income from 1996 to 2016

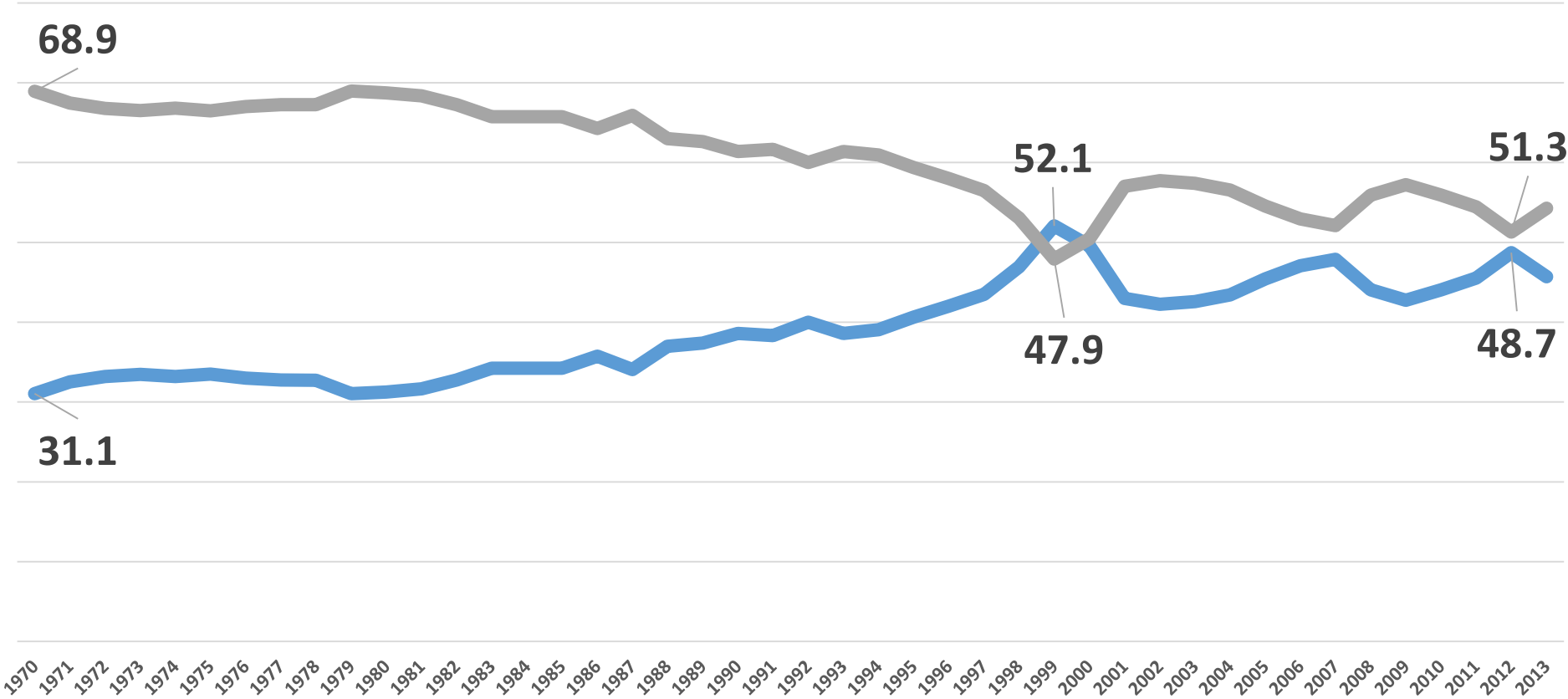


Proportion of Racial Cohort with Household Income Less than \$21,000 (state and local taxes at 16.8% of income)

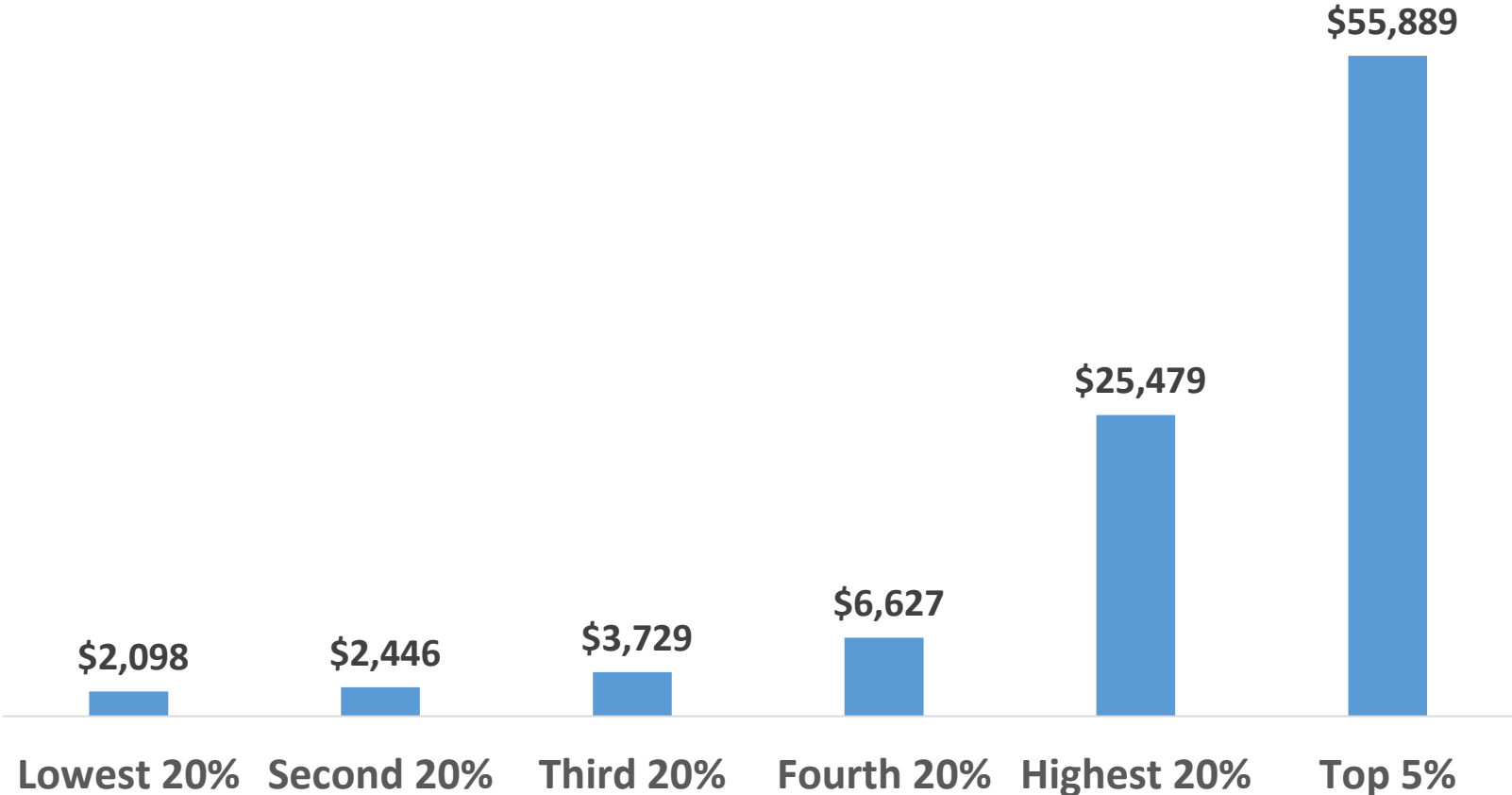


Percent Share of Washington State Personal Income

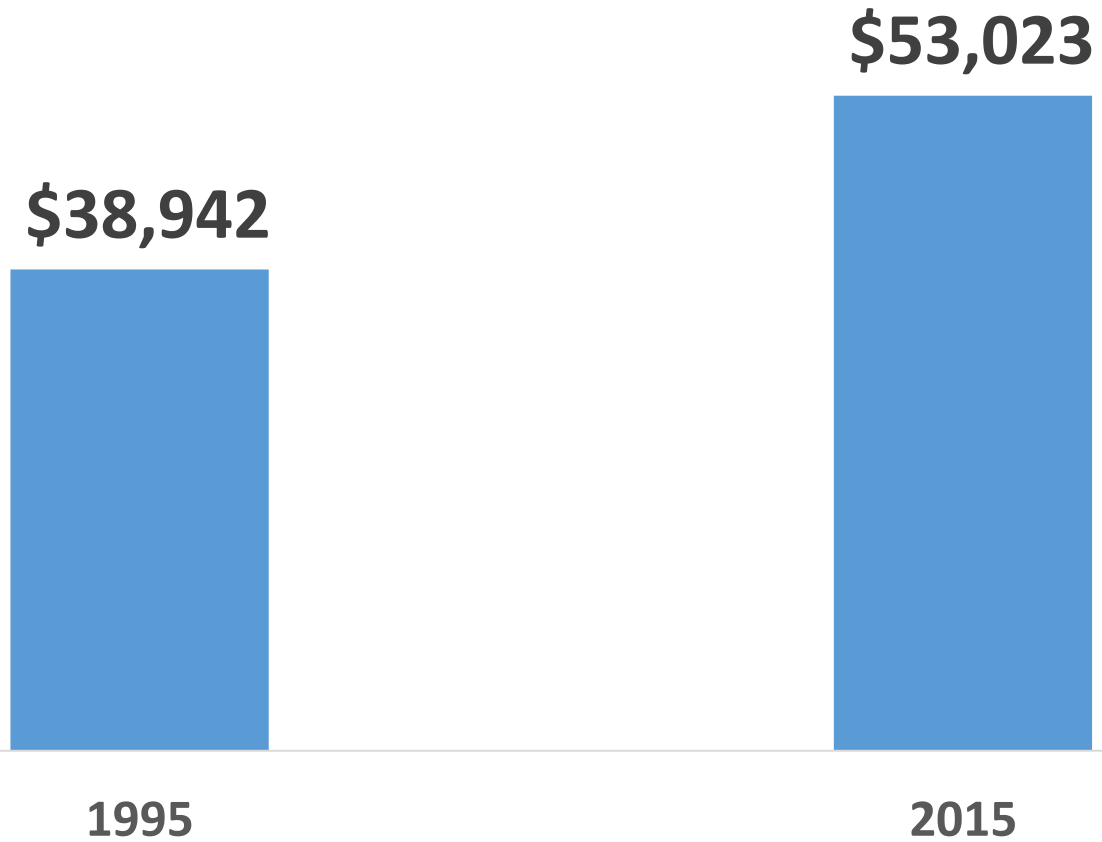
Washington Top 10% Washington Bottom 90%



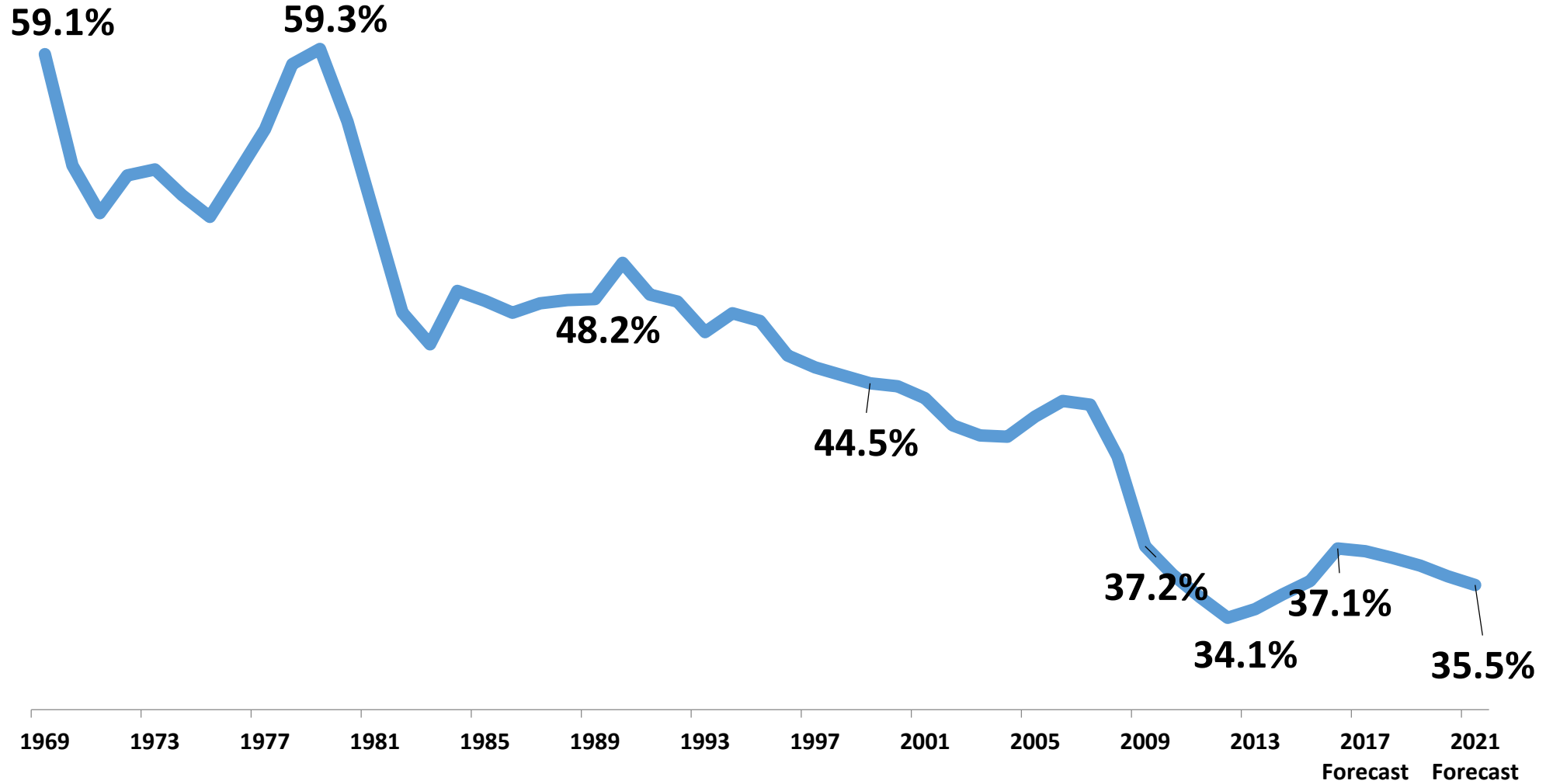
Increase in Income, by Quintile and Top 5%, 2010-2016



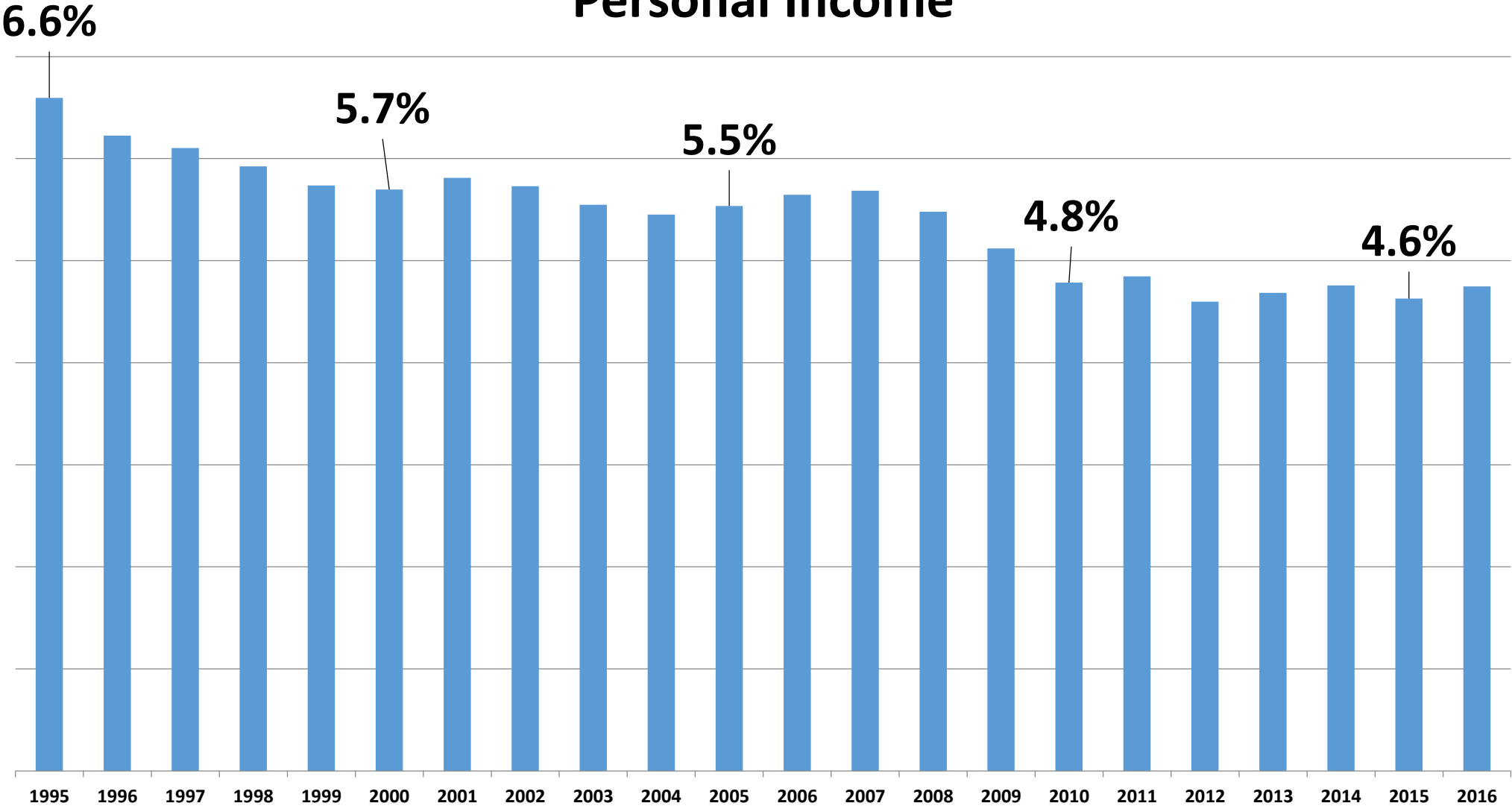
Per Capita Personal Income
(March 2017 dollars)



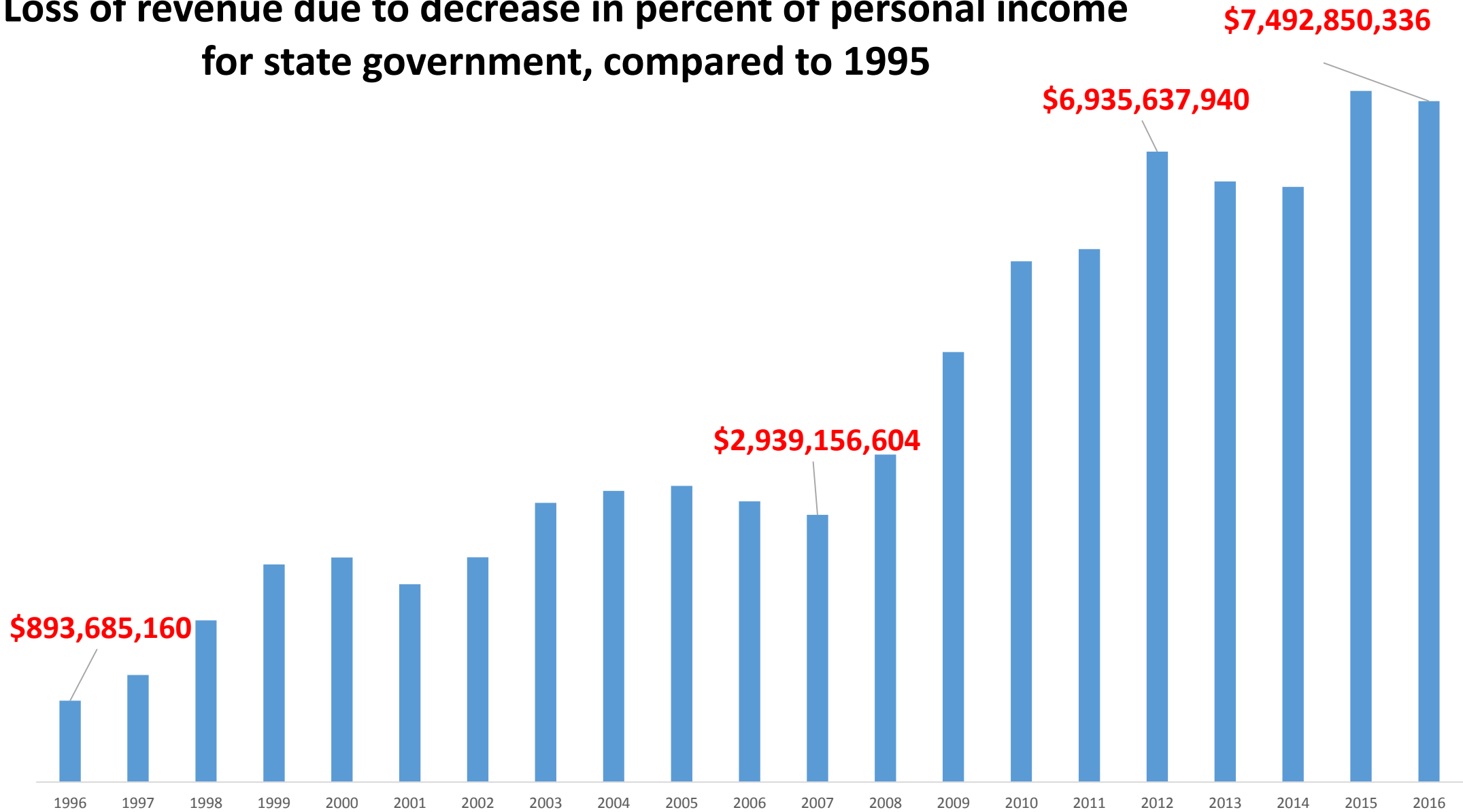
WA Taxable Sales as a Percent of Personal Income



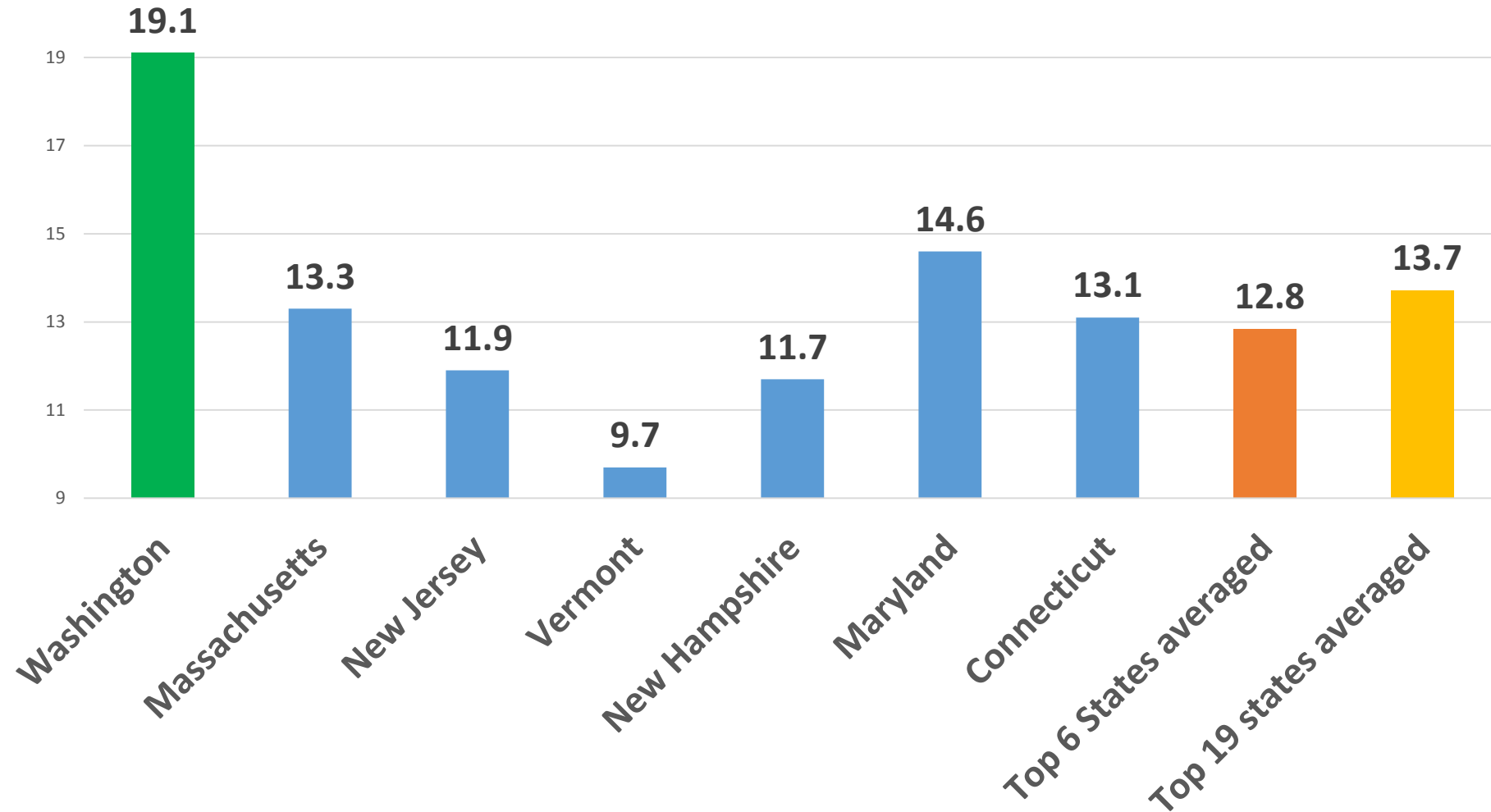
Washington State Budget as a Percent of State Personal Income



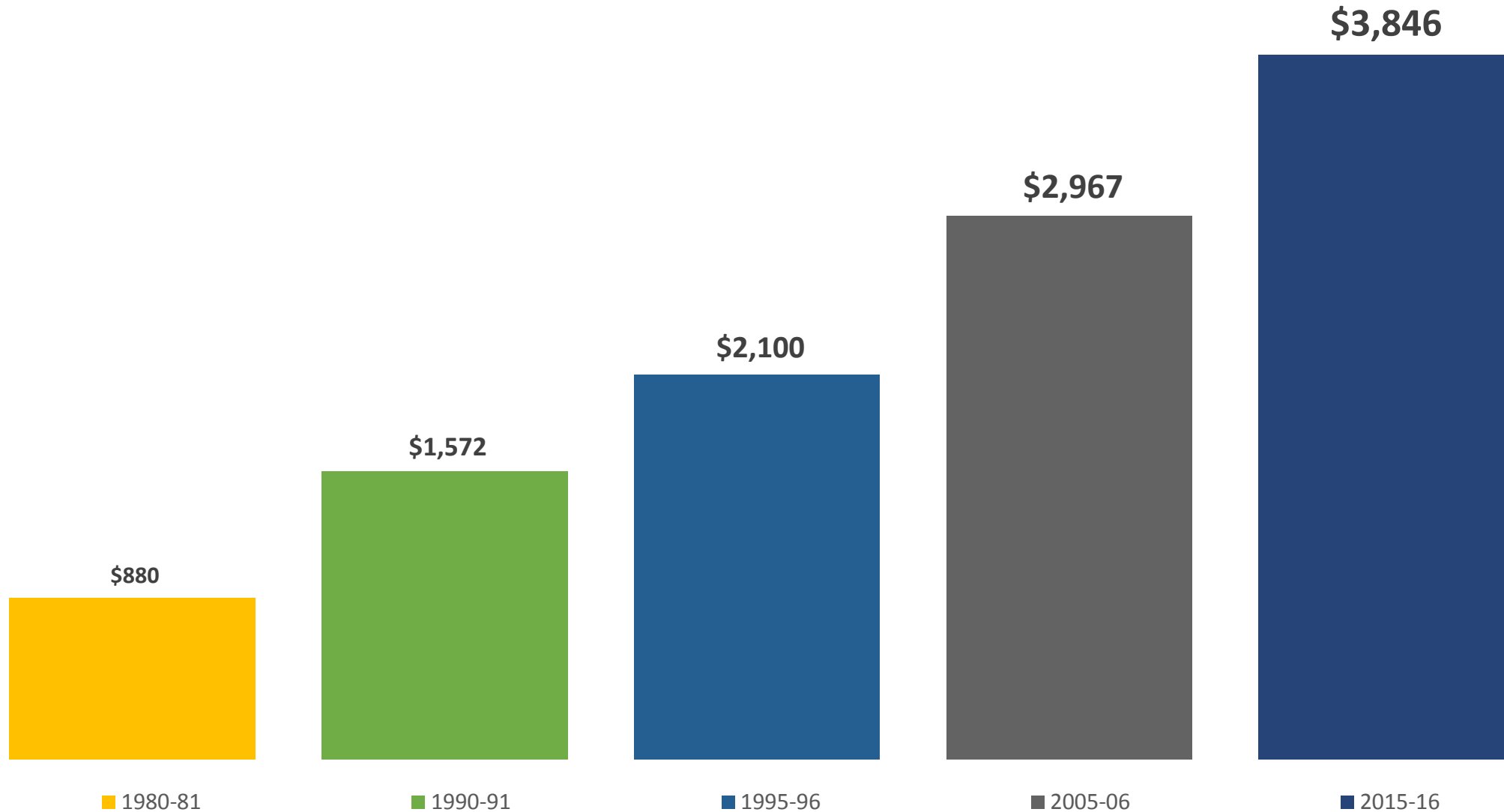
Loss of revenue due to decrease in percent of personal income for state government, compared to 1995



Student Teacher Ratio in Washington and Top Six and Top 19 States for K-12 Education



Community College Tuition, 1980 - 2016



Early Learning and Child Care

	current wages	modest improvement	closer to K-12 standards
Supervisors	\$ 15.52	\$ 20.00	\$ 22.50
Lead Teachers	\$ 12.85	\$ 17.50	\$ 19.25
Assistant Teachers	\$ 11.25	\$ 15.00	\$ 17.00

Seattle: Why We Need An Income Tax

The Problem:

- We have the most regressive state and local tax system in the country
- We are unable to raise the revenues necessary for education and social services
- We are in a perpetual fiscal crisis.

Adding to the Problem:

- The Legislature will not put in place an income tax.

What urgent needs could the income tax finance for housing, homelessness, and the green economy?

- Build and preserve affordable housing \$50,000,000
- Fund tiny house villages \$10,000,000
- Fund the Equitable Development Initiative \$10,000,000
- City contributions to community land trusts
(purchase of land and properties) \$10,000,000
- Weatherization/solarization for rental housing \$15,000,000
- Seattle Schools Retrofit \$ 5,000,000
- Community solar programs \$ 5,000,000

What urgent educational needs could the income tax finance for education?

• Free community college tuition	\$16,000,000
• Universal Pre-K	\$50,000,000
• Career and wage ladder for child care teachers and caregivers	\$ 5,000,000
• Transit passes for all students	\$ 5,000,000
• Safe Routes to Schools – sidewalks	\$ 5,000,000
Total	\$186,000,000

It's up to you to decide how Seattle can meet our urgent public services while not pushing more regressive taxes onto the middle class and working class families in our city.



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