

It's time to Balance Our Tax Code!

2025 LEGISLATIVE PLATFORM

In Washington, we define ourselves by how we treat each other, not by what we look like or what's in our wallets. But for decades, working people have been footing the bill for our public schools, our healthcare, and the social services our communities share.

When wealthy people and corporations refuse to pay what they truly owe to our communities by blocking progressive tax policies, they compromise the wellbeing of

communities of color, working people, and small business owners. It doesn't have to be this way.

Our tax code is one of the most upside-down in the nation, with low-wage workers paying three times more of their incomes in local taxes than their wealthy neighbors. These past decisions to build our tax code to benefit only the wealthy has created a massive budget shortfall to contend with in

the 2025 session, which will put many of our state's critical programs at risk. We cannot keep dialing up regressive taxes that balance our budget on the backs of those who can least afford it, and who need state services the most. We must implement progressive, long-term revenue sources instead to fund the housing, education, and healthcare that Washingtonians all depend on.

Washingtonians don't just blindly favor tax cuts - we care about who is paying taxes and how.

2025 CHECKLIST FOR PROGRESSIVE REVENUE

Fund our Future with a Tax on Financial Assets. Unlike real estate, financial assets like stocks and bonds are not taxed unless they are sold. We can close this loophole by enacting a 1% tax on stocks and bonds in excess of \$50 million. Funds could pay to bolster public schools, public health programs, and support working families.

Fix the High Earners Loophole for Employers. Corporations do not pay payroll taxes for social programs, like Washington's popular Paid Family and Medical Leave program, on employee salaries above \$176,100. Closing this loophole could provide roughly \$4 billion per year for Washington's social safety programs.

Make Business Taxes More Progressive. Washington's wealthiest corporations benefit from our B&O tax code that is riddled with loopholes. We can make this code more progressive by introducing a 1% surcharge on annual taxable business income over \$500 million. Additionally, we can increase the surcharge paid by Big Banks (those with more than \$1 billion in annual profits) from 1.2% to 1.9%. These two changes to the B&O tax code will bring in more than 2 billion per year to support public programs.

The Affordable Homes Act. Creates a permanent funding source to support affordable home operations by making adjustments to the real estate excise tax. This change would lower the tax rate for most Washingtonians when they sell their homes, and would raise the rate on sales of homes above \$3 million. These adjustments would raise funds for working class renters and people with disabilities who desperately need affordable and supportive homes in our neighborhoods.

We broadly stand in support of new, progressive revenue and policy proposals that align with our values, and recognize that this checklist may change. We support both raising new revenue and directing that revenue to ensure that working families have what they need to thrive: from healthcare, to housing, to food. Ideas we support include:

- Putting cash back in the pockets of those most impacted by Washington's upside-down tax code.
- Making sure that the wealthiest pay what they truly owe through taxes and disrupting the inequitable concentration of wealth.
- Developing progressive solutions to equitably fund our communities through access to transportation systems, homes that are affordable for everyone, and relief from the impacts of climate change.



Balance Our Tax Code is a coalition made up of more than 80 labor unions, non-profits, community-based organizations, housing and community associations, human service providers, immigrant rights advocates, and activists. Together, we work to educate, advocate, shape public opinion, and pass laws until we have a tax code that supports a way of life that works for all of us, not just the wealthy few. Contact: emma@balanceourtaxcode.com