

Tax on Financial Assets SB 5797/HB 2046

What would our communities look like if the wealthiest people and corporations contributed what they truly owe in taxes?

Most of us want our kids to attend schools with great learning programs, well-funded special education, and educators that can afford to do the jobs they love.

But right now our schools are deeply underfunded, and parents, teachers, and students are all paying the price. Wealthy people and corporations have spent decades using their influence to make sure they don't have to pay the same tax rate as the rest of us. Recent efforts by corporate CEO's to block the implementation of this

wealth tax means that we keep paying more in taxes while costs for our schools go up, and the wealthiest get a free ride off of what we contribute.

Washington's lawmakers must finally fund our schools so that parents and teachers don't have to subsidize their classrooms. With a small tax paid only by people with Wall Street wealth in excess of \$50 million, we could direct \$1-4 billion per year directly to students in public schools, building a strong future for Washington state.

The problem:

- Washington has the second most regressive tax system in the country. A person working for minimum wage pays about three times as much of their income in local taxes as multimillionaires and billionaires who also live here.
- Despite being one of the wealthiest states in the US, our refusal to enact progressive taxes means our public schools and services are dramatically underfunded.
- Unless we finally make the wealthy pay what they truly owe in taxes, our public schools could be forced to fill our budget deficit by laying off more educators, increasing class sizes, and cutting student programming further.

How it would work:

- The Financial Intangibles Tax would only apply to people with Wall Street wealth (like stocks, bonds, and mutual funds) valued above \$50 million.
- The tax rate would be 1% or less.
- If implemented today, only ~4,300 ultra-wealthy Washingtonians (including ~100 billionaires) would pay this tax.
- This tax generates funds for public education.

Washington voters showed they support the wealthy doing their part to fund education when they voted to retain the capital gains tax in 2024.

When our tax code is structured based on ability to pay, our communities are more equitably funded and everyone in Washington benefits. A small tax on Wall Street wealth is a meaningful step toward balancing our tax code.



Balance Our Tax Code is a coalition made up of more than 100 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**