

Remedy for Imbalanced Tax Structure

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3 **WHEREAS** the State of Washington has one of the most regressive tax systems any
4 state in the U.S. (Institute on Taxation and Economic Policy), thus placing too high a
5 burden on the poor and working poor;

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7 **WHEREAS** a Washington resident earning less than \$20,000 currently pays
8 approximately 17% of earnings on state and federal taxes while someone earning
9 \$537,000 currently pays approximately 3% of earnings in taxes;

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11 **WHEREAS** without an income tax, the state's reliance on revenue from sales tax
12 revenue makes the state budget extremely sensitive to recessions, economically
13 unstable, and budgetarily unreliable; and

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15 **WHEREAS** Senate Leader Lisa Brown has offered a solution to tax imbalance, i.e. when
16 lawmakers pass a state sales tax, it will be coupled with an income tax on individuals
17 earning \$200,000 and couples earning \$400,000;

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19 **THEREFORE BE IT RESOLVED** that the Washington State Democratic Party calls
20 upon our legislators to explore reforms that would create a more equitable and
21 progressive tax system that is less dependent upon a single source of revenue; and

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23 **THEREFORE BE IT FURTHER RESOLVED** that the Washington State Democratic
24 Party calls upon members of the State Senate and State House to introduce and co-
25 sponsor a proposal to remove the state sales tax on all goods and services except for
26 liquor, tobacco products, fossil fuels and petroleum products and to institute a fair,
27 graduated state income tax as a companion remedial measure to correct the
28 aforementioned inequities; and

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30 **THEREFORE BE IT FINALLY RESOLVED** that a copy of this resolution be
31 transmitted to relevant officials along with a request for response within thirty days,
32 listing the actions they are willing to take to support this resolution or a list of the
33 reasons explaining why it cannot be supported.

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36 Submitted by the Whitman County Democrats to the Democratic Central Committee for
37 consideration at its June 26 convention in Vancouver. (Date Submitted 4/13/2010)

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39 Recommended Pass with amendments by the Subcommittee on the Corporate Power
40 and Media Reform, Economic Justice and Development, and Labor. (Date Considered
41 5/2/2010)
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43 Recommended Pass with amendments by the State Convention Platform Committee.
44 (Date Considered 6/5/2010)
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46 The Washington State Democratic Convention "PASSED" this resolution at its June 26,
47 2010 meeting in Vancouver.