

## Resolution on Tax Expenditures

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3 **WHEREAS** the Washington State tax code is currently riddled with 567 tax exceptions  
4 and other tax expenditures, many of which favor narrow special interests;

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6 **WHEREAS**, unlike budget items, which are regularly scrutinized during the budget-  
7 writing process, these exemptions commonly continue unexamined session after  
8 session;

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10 **WHEREAS** the problem is getting worse. In the last decade alone, 116 new tax breaks  
11 were enacted, costing the taxpayers \$1.6 billion over the next two years; and in the 2011  
12 session, confronting a \$5 billion revenue shortfall, legislators from both parties  
13 proposed still another 35 tax breaks that if enacted would drain an additional \$97  
14 million from available revenues in Fiscal Year 2013; and

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16 **WHEREAS** the multi-billion dollar revenue shortfall caused by the current deep  
17 recession was addressed by the Legislature with an all-cuts budget, severely damaging  
18 essential programs and the overall quality of life in our state;

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20 **THEREFORE BE IT RESOLVED** that the Washington State Democratic Central  
21 Committee support legislation mandating that each such tax expenditure carry an  
22 expiration date, so that each may be reviewed and renewed or not renewed on a regular  
23 basis;

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25 **THEREFORE BE IT FURTHER RESOLVED** that fiscal management be improved by  
26 allowing any tax expenditure to be modified or eliminated by a simple majority vote;

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28 **THEREFORE BE IT FURTHER RESOLVED** that in the interests of accountability,  
29 minimum reporting requirements be established for any business receiving a tax  
30 subsidy, to the end that those among the 567 tax expenditures that are unwarranted will  
31 no longer rob the state of essential revenue; and

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33 **THEREFORE BE IT FINALLY RESOLVED** that the WSDCC send copies of this  
34 resolution to all members of the Washington State Legislature.  
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37 Submitted by the 30<sup>th</sup> Legislative District Democrats to the Washington State  
38 Democratic Central Committee for consideration at its September 17, 2011 meeting in  
39 Bellingham. (Date Submitted 9/6/2011)

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41 Submitted by the King County Democrats to the Washington State Democratic Central  
42 Committee for consideration at its September 17, 2011 meeting in Bellingham. (Date  
43 Submitted 9/9/2011)

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45 The Resolutions Committee recommended that this resolution be "PASSED WITH  
46 AMENDMENTS" at its September 17, 2011 Meeting in Bellingham.

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48 The WSDCC "PASSED" this resolution at its September 17, 2011 Meeting in Bellingham.