A revenue-neutral carbon tax for 2016
Who We Are

• Founded by citizens, students, academics and activists
• 30 chapters across the state, 100’s of volunteers
• We work in living rooms; not board rooms.
• Not affiliated with a political party or special interests
Our Goals

- Empower citizens
- Reduce emissions
- Create replicable, positive change
“British Columbia Enacted the Most Significant Carbon Tax in the Western Hemisphere. What Happened Next Is It Worked.” - MotherJones

“We have a winner: British Columbia’s carbon tax woos skeptics” - The Economist

“A carbon tax and a thriving economy can co-exist” & “Keep it simple: Design a policy that’s easy to administer thanks to broad coverage and minimal exemptions.” - Sightline

“The Shocking Truth about B.C.’s Carbon Tax: It works” - The Globe and Mail
Our Proposal

What’s the plan?
• $25/ton tax on carbon emissions
• Reduce sales tax 1%
• Eliminate B&O tax on manufacturers
• Fund and increase the Working Families Rebate

The Goals?
• Cut carbon emissions
• Take a whack at our regressive tax system
• Bipartisan support.
• Save the world.
Revenue Neutral Tax Swap

Carbon Tax: $1.7 Billion

$25/ton CO2

Tax Cuts: $1.7 Billion

Manufacturers’ Tax Swap: $200 Million
Working Families Rebate: $200 Million
Cut Sales Tax One Full Point: $1.3 Billion

Maintain revenue neutrality by slowly raising carbon tax rate
The Olympian
“Carbon tax proposal can move climate needle.”

Tacoma News Tribune
“Either a cap-and-trade system or a carbon tax can work, if well designed and adapted to a state’s political culture. Environmentalists should not lightly dismiss the proposed tax initiative. It has the virtue of being revenue-neutral and easy to explain.

Seattle Business Magazine
“A carbon tax works - and the state should implement one.”

Christian Science Monitor
“Will Washington be the first US state to have a carbon tax?”
Why Rebate Carbon Revenues?

Pricing Carbon is an Inherently Regressive Revenue Source
• Energy cost increases place the burden on low and middle income households disproportionately

Tax Increases are HARD politically
• I-1098 (income tax 2010), Prop. 1 King County (bus & roads, 2014), I-1107 (repeal of candy tax, 2010)

Revenue Neutrality Allows for Bipartisan Support
• Bill Finkbeiner, Seattle Bus Mag., R Street on the right
• Ron Sims, District Dems, 350.org on the left

We can improve the fairness of WA’s Tax Code
• 200 million dollars annually in WFR in size and scope is most significant anti-poverty effort in recent WA history
Tax system impacts on income

Oregon State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers

- Lowest 20%: Less than $19,000, 8.1%
- Second 20%: $19,000 – $34,000, 7.3%
- Middle 20%: $34,000 – $55,000, 7.6%
- Fourth 20%: $55,000 – $89,000, 7.8%
- Next 15%: $89,000 – $172,000, 7.2%
- Next 4%: $172,000 – $371,000, 7.4%
- Top 1%: +$371,000, 6.5%

Tax system impacts on income


**Idaho State & Local Taxes in 2015**

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Share of Family Income for Non-Elderly Taxpayers</th>
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<tbody>
<tr>
<td>Lowest 20%</td>
<td>8.5%</td>
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<tr>
<td>$18,000 – $35,000</td>
<td>8.5%</td>
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<tr>
<td>Middle 20%</td>
<td>7.6%</td>
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<tr>
<td>$35,000 – $52,000</td>
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<tr>
<td>Fourth 20%</td>
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<tr>
<td>$52,000 – $80,000</td>
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<td>Next 4%</td>
<td>6.6%</td>
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<tr>
<td>$154,000 – $376,000</td>
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<tr>
<td>Top 1%</td>
<td>6.4%</td>
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<tr>
<td>$376,000+</td>
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</tbody>
</table>
Tax system impacts on income

California

State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers

- Lowest 20% (Less than $23,000): 10.5%
- Second 20% ($23,000 – $38,000): 9.0%
- Middle 20% ($38,000 – $61,000): 8.2%
- Fourth 20% ($61,000 – $103,000): 7.7%
- Next 15% ($103,000 – $219,000): 7.4%
- Next 4% ($219,000 – $569,000): 8.7%
- Top 1% (+$569,000): 8.7%

Tax system impacts on income


**Washington State & Local Taxes in 2015**

Shares of family income for non-elderly taxpayers

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Less than $21,000</td>
<td>16.8%</td>
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<tr>
<td>$21,000 – $40,000</td>
<td>11.7%</td>
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<tr>
<td>$40,000 – $65,000</td>
<td>10.1%</td>
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<td>$65,000 – $103,000</td>
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<td>$103,000 – $197,000</td>
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<td>$197,000 – $507,000</td>
<td>4.6%</td>
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<tr>
<td>+$507,000</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

CarbonWA for married couple, 1 kid

**Washington State & Local Taxes in 2015**

Shares of family income for non-elderly taxpayers

- Lowest 20%: 9.9% ($826)
- Second 20%: 9.9% ($545)
- Middle 20%: 10.1%
- Fourth 20% ($65,000 - $103,000 Income Range): 8.5%
- Next 15%: 6.6%
- Next 4%: 4.6%
- Top 1%: 2.4%
The EIA model shows that a $25 carbon tax has a huge impact on electricity emissions.
Carbon Tax Swap Calculator

Welcome
Sales Tax Savings
Working Families Rebate (WFR)
Gasoline Usage

How much gasoline does your household use:
10.00 gallons of gasoline per Week Submit

We estimate that your household would spend this much more due to carbon taxes on gasoline:
$116 per year

Air Travel
Our Progress

2015 In Review

• Gathered over 362,000 signatures, 10th most in Washington State history!
• Raised $700,000+ from over 1,000 donors
• Organized 30 chapters of volunteers around the state.
• Threw over 50 great parties!!
I-732 is currently before the legislature, which can either pass it out rightly, pass an alternative that will also go the ballot (I-732B), or do nothing!

March 10\textsuperscript{th}: end of Legislative Session
November 8\textsuperscript{th}: Election Day!

I-732 is very likely heading to the November 2016 ballot
Our Strategy

• Run a campaign focused on hope, positivity, and a better, greener future.

• Be “David” and focus on early, person to person voter contacts to win electorate *before* fall.

• Deploy new innovative tools to reach young voters.

• Leverage our enthusiasm: “work as if the whole world is at stake!”
Polling

- 54% support for revenue neutral carbon tax via Galatin.
- 54% of Republicans nationwide via a NYT poll.
- 76.7% of young people via a Galatin Poll
- 67% nationwide support for revenue-neutral via a Stanford Poll.
Why 2016?

• Presidential Turnout
• Bipartisan Potential
• Time to Play Offense
• Scientific Urgency
Yeson732.org
Duncan@carbonwa.org

Volunteer. Donate. Vote.

WHAT CAN YOU DO TO FIGHT CLIMATE CHANGE?

JOIN CARBON WA

We are a grassroots organization working to pass a carbon fee in WA State.

SIGN UP TODAY FOR

EVENTS
OUR MAILING LIST
A CARBON WA CHAPTER

CONTACT OR VISIT US
megan@carbonwa.org or yeson732.org