

FAIRER TAXES

**A revenue-neutral
carbon tax for 2016**

CLEANER ENERGY

www.YesOn732.org

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

B.C. As A Model

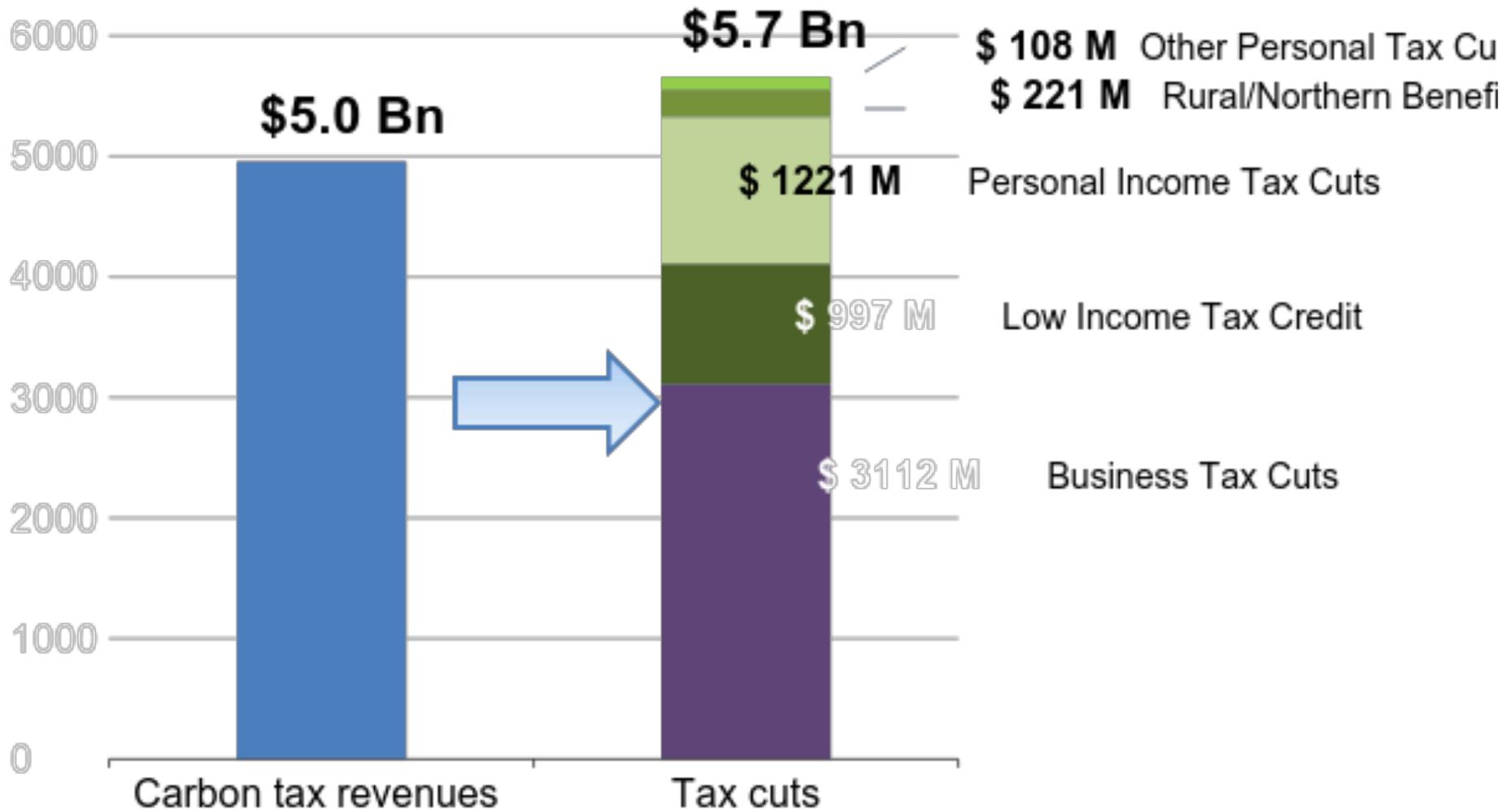
“British Columbia Enacted the Most Significant Carbon Tax in the Western Hemisphere. What Happened Next Is It Worked.” - MotherJones

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

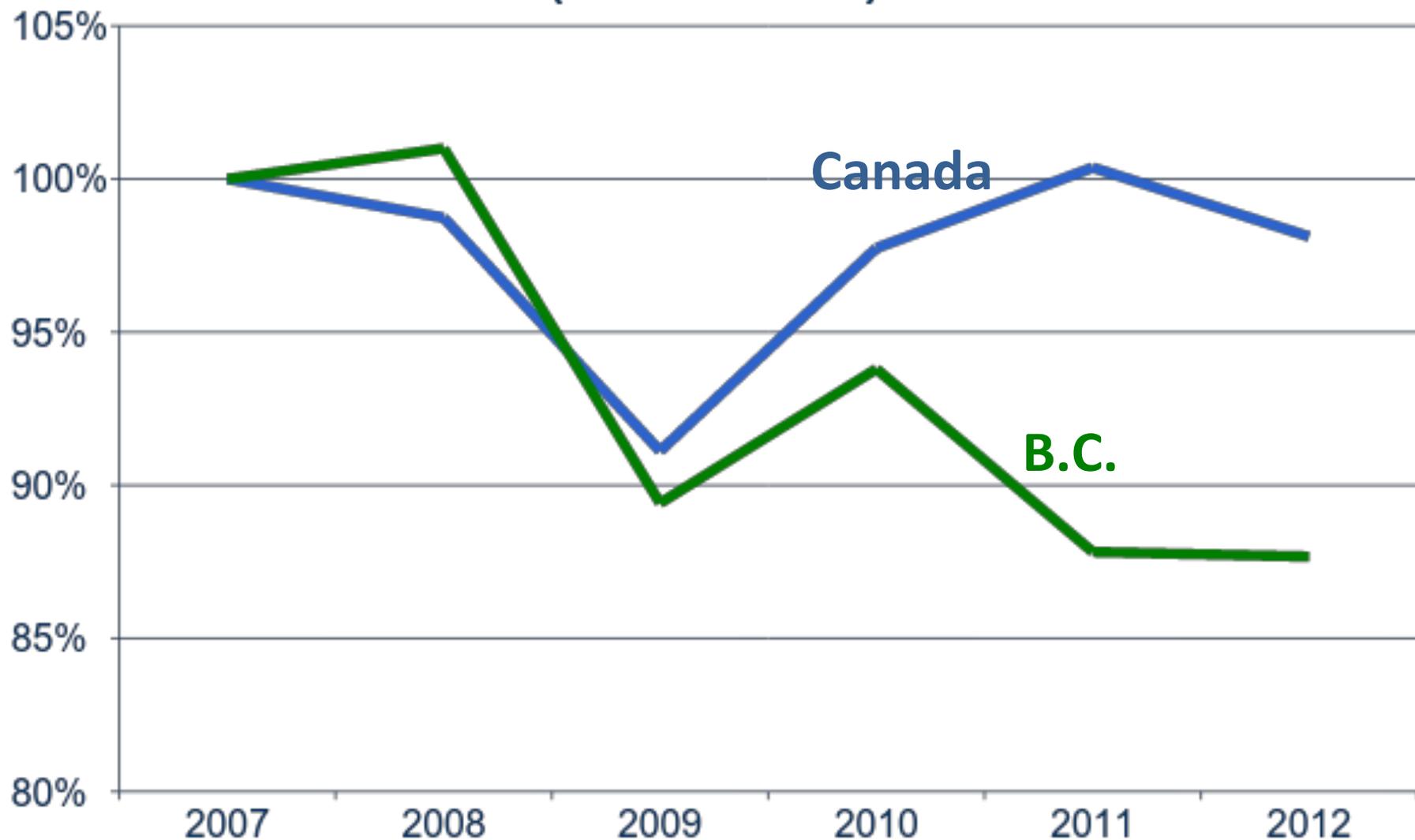
“A carbon tax and a thriving economy can co-exist” & “Keep it simple: Design a policy that’s easy to administer thanks to broad coverage and minimal exemptions.” - Sightline

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

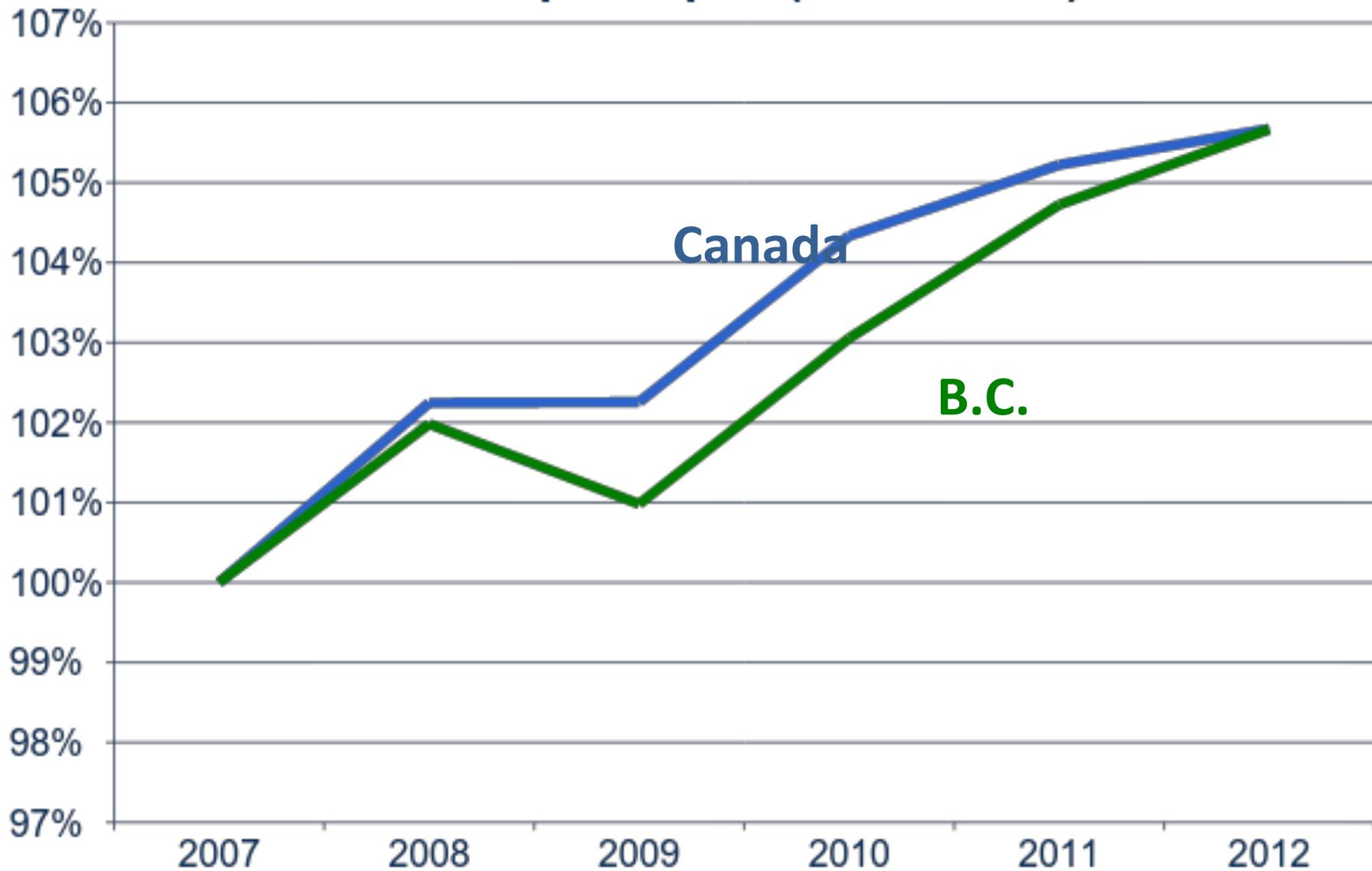
Cumulative BC Carbon Tax Revenues and Tax Cuts 2008 – 2014



Sales of refined petroleum products per capita (2007 = 100%)



Real GDP per capita (2007=100%)



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



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

Keeping Climate in the News

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

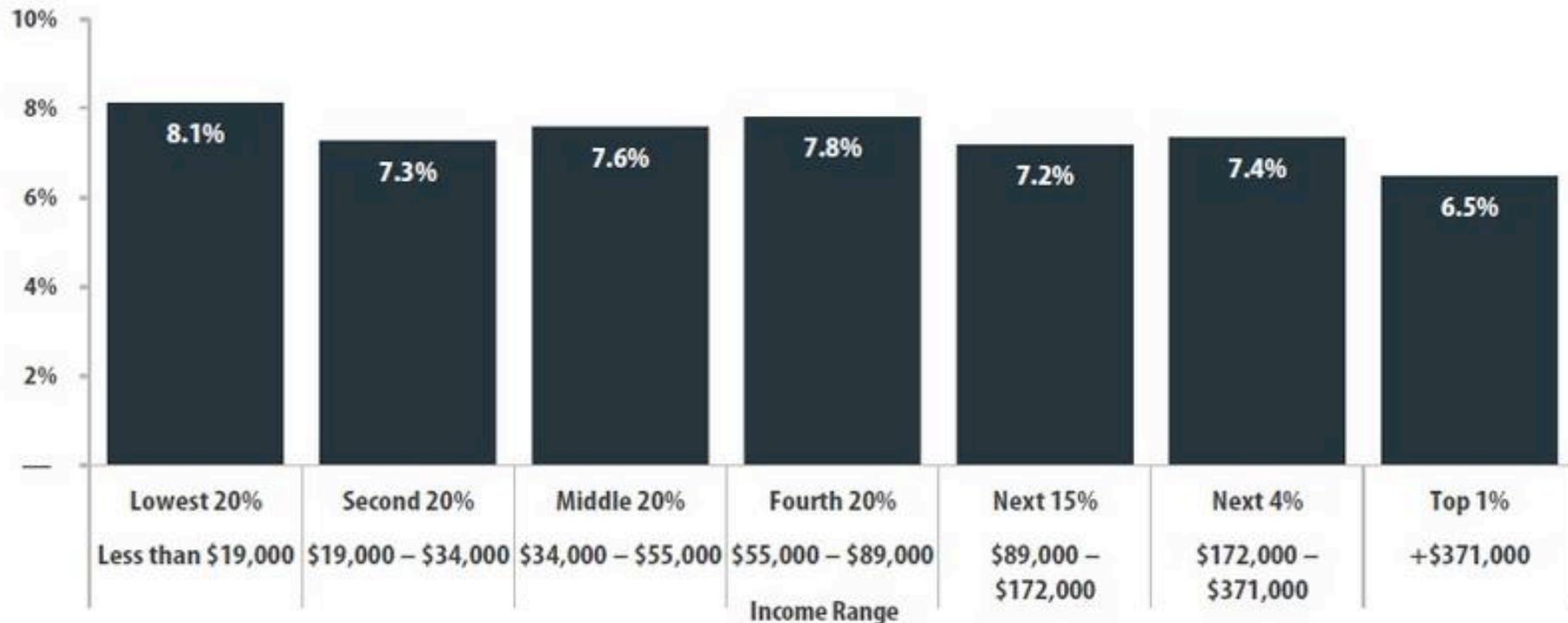
Source: Institute on Taxation and Economic Policy, *Who Pays?* (2015)

Tax system impacts on income

Oregon

State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers



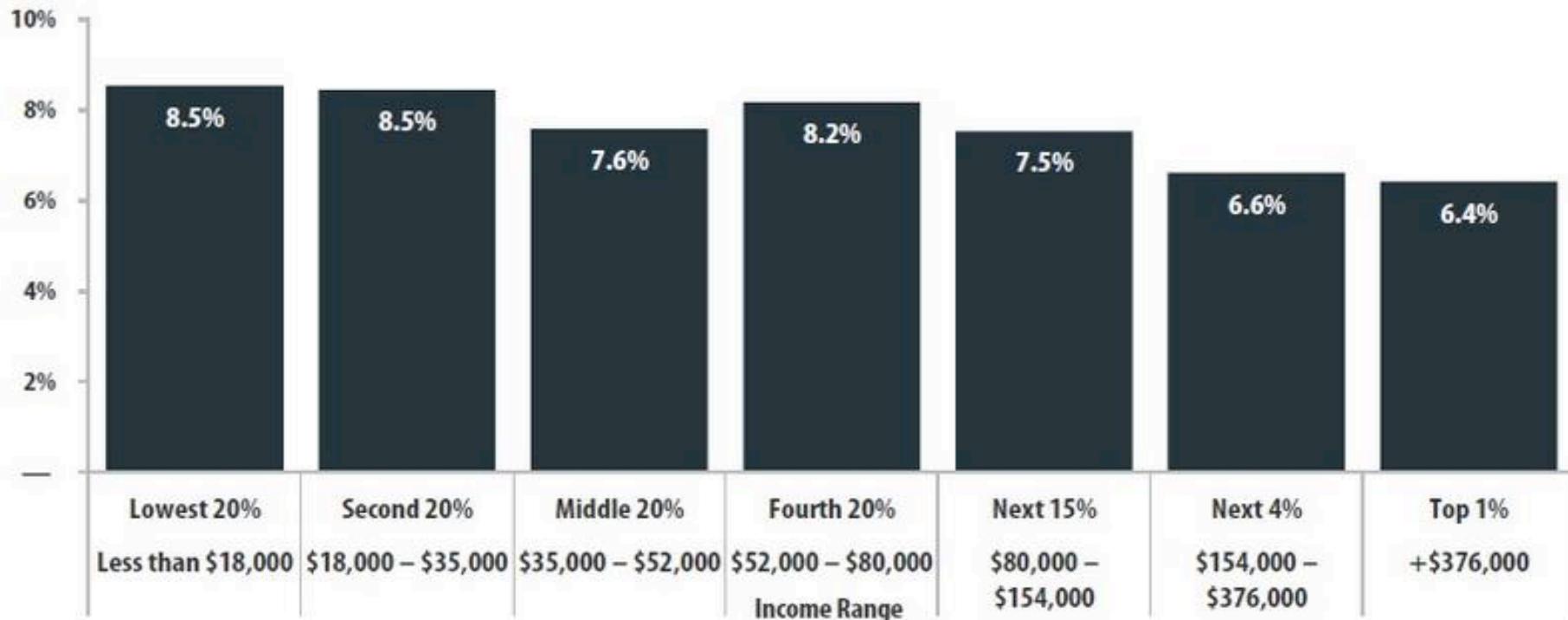
Source: Institute on Taxation and Economic Policy, *Who Pays?* (2015)

Tax system impacts on income

Idaho

State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers



Source: Institute on Taxation and Economic Policy, *Who Pays?* (2015)

Tax system impacts on income

California

State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers



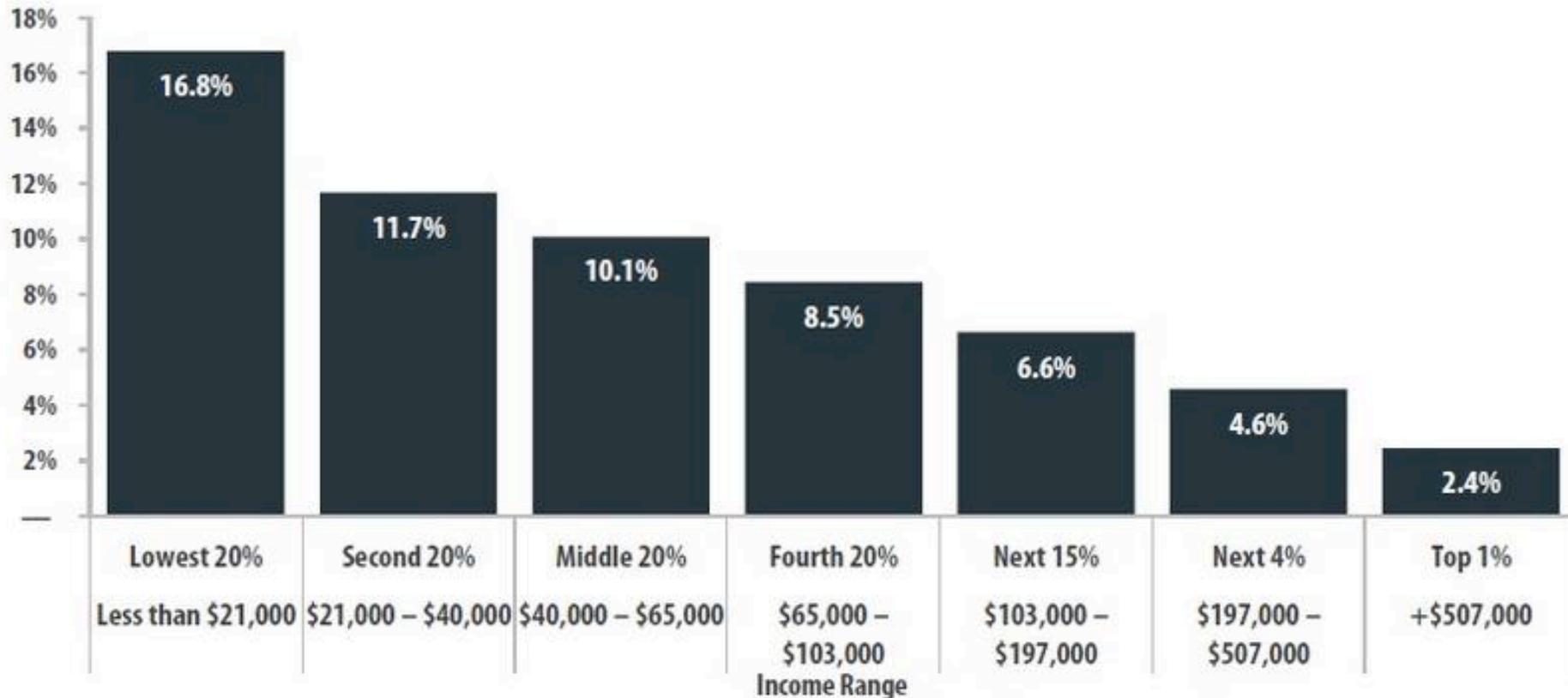
Source: Institute on Taxation and Economic Policy, *Who Pays?* (2015)

Tax system impacts on income

Washington

State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers



Based on Institute on Taxation and Economic Policy, *Who Pays?* (2015)

CarbonWA for married couple, 1 kid

Washington

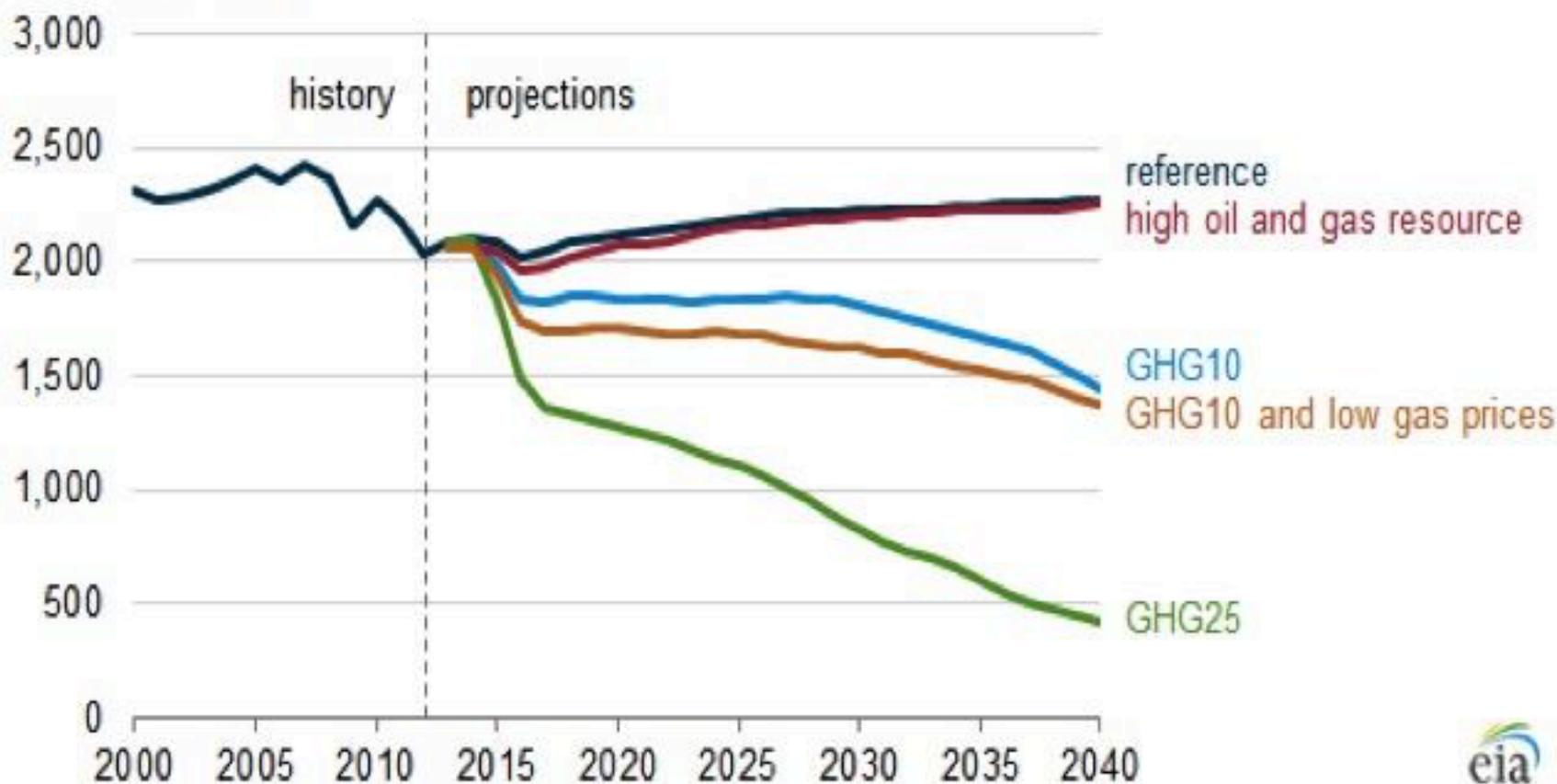
State & Local Taxes in 2015

Shares of family income for non-elderly taxpayers



The EIA model shows that a \$25 carbon tax has a huge impact on electricity emissions.

AEO2014 projections of power sector CO₂ emissions in five cases
million metric tons



carbon.cs.washington.edu

Carbon Tax Swap Calculator

▶ Welcome

▶ Sales Tax Savings

▶ Working Families Rebate (WFR)

▶ **Gasoline Usage**

How much gasoline does your household use:

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!!



2016

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 10th: end of Legislative Session

November 8th: 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

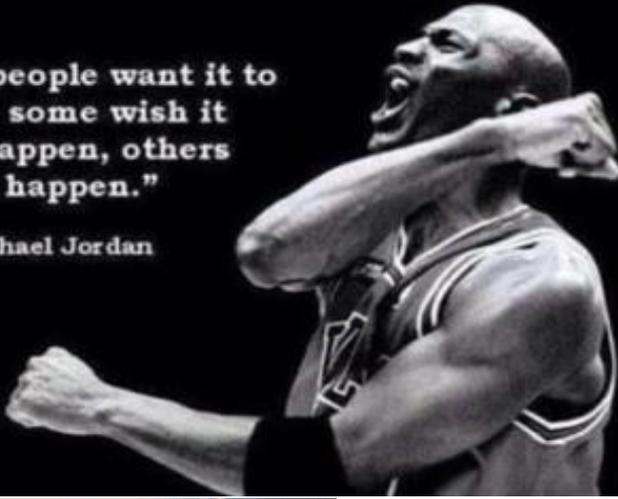
- 54% support for revenue neutral carbon tax via Galatin.
- 54% of Republicans nationwide via a [NYT poll](#).
- 76.7% of young people via a Galatin Poll
- 67% nationwide support for revenue-neutral via a [Stanford Poll](#).

Why 2016?

- Presidential Turnout
- Bipartisan Potential
- Time to Play Offense
- Scientific Urgency

“Some people want it to happen, some wish it would happen, others make it happen.”

-Michael Jordan



Yeson732.org
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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

