



What's the problem with an income tax?

Washington is one of just nine states without an income tax. If it's good enough for the other 41, why not us? Plenty of reasons. An income tax would create severe problems for all of us.

- **Our economy has grown up without an income tax.** It's why Washington is booming. Businesses make decisions based on taxes, and it's why the tech industry flocked here in the '80s and '90s. We aren't like other states. We should be glad of it.
- **We'll lose our biggest competitive advantage.** With an income tax, we'll be just like California and other high-tax states. Business will go elsewhere. We'll see fewer jobs for working families.
- **Just ask the state Department of Commerce.** No income tax used to be a big selling point in state business-recruitment advertising – until the claim was quietly dropped before the 2021 debate on the income tax bill.
- **Current proposals punish the tech industry.** A capital gains income tax targets tech firms and their employees. Talk about killing the golden goose!
- **Small business and farmers would be collateral damage.** A capital gains income tax would hit owners of farms and small businesses. They aren't rich. They'll be hit when they sell at retirement.
- **Eventually the tax would hit all of us.** It's going to grow and grow. Next time the Legislature runs short on money, this "starter income tax" would be expanded to the middle class – because that's where the money is.
- **You'll pay more – lots more.** The whole idea is to raise more money for government, not to replace the taxes we already have. This money would be plucked from the economy, where it would have fueled sales, jobs and economic growth.
- **Incentives for smarter spending will be gone.** With a gusher of money, Olympia won't have to make tough choices, cut wasteful spending and reform ineffective programs.
- **We'll join the ranks of "basket-case" states.** Bond-rating firms say Washington has one of the nation's most-stable tax systems. "Soak the rich" taxes would put us on the same dismal track as California, Connecticut, New Jersey, New York and many others.
- **An income tax is a slap in the face to Washington voters.** The people have voted no 10 times since 1935, most recently in 2010. Cutting the people out of the decision shows them great disrespect.

Washington is prosperous because we don't have an income tax.

An income tax is a recipe for stagnation – and worse.