

Tax Fairness Education Project

March 27, 2009

Advocates for low-income families face a serious challenge that is already front and center in the debates on the budget and policies on health care, education, energy and beyond. These debates serve to remind us of the importance of tax issues and reinforce the need for both a short-term and long-term public education effort to make tax increases a politically viable option. The argument that more government is bad, people should keep their own money, tax cuts pay for themselves, tax cuts are the best investment for the economy, etc., is losing luster, but still carries considerable weight. Our challenge is to mobilize a credible force and credible voice to counter this frame on taxes, built over the last 40 years.

The low-income community has gained a tremendous advantage in this fight. President Obama is articulating a message that we have promoted for years: that restoring an economy that works for everyone requires investments in new priorities, including health care, education, clean energy, and tax provisions that benefit low-income families, responsibly financed by raising revenues through fairer tax policies and ending wasteful corporate subsidies. The Obama budget addresses the expiration of the 2001 – 2003 tax cuts as part of its overall plan to transform national policy and priorities, setting this major review of tax policy against the backdrop of the manifest failure of tax-cut driven economic policies to produce shared prosperity and sustainable economic growth.

Even with President Obama as the key messenger, however, we will fail without a strong analytic, communications and organizing effort. It will take strong support to create more political space to discuss revenues and counter the forces that already are mobilizing to protect the privileges enjoyed by the special interests and defeat change that benefits low-income families.

To accomplish this, seven organizations—AFSCME, Center for American Progress, Center on Budget and Policy Priorities, National Women’s Law Center, NEA, SEIU, and USAction Education Fund—have created the Tax Fairness Coordinating Council. The Coordinating Council has a short-term and long-term plan to ensure a fairer tax system that raises adequate revenues to invest in America’s future, and to help improve our nation’s long-term fiscal outlook to promote economic growth and greater income equality.

Specifically the project will:

- 1) Provide added capacity to effectively address tax issues in this year’s budget and accompanying tax debates, as well as in the debates on upcoming initiatives such as health care, education, energy/climate change, and other national policies.
- 2) Work alongside other advocacy groups to help them understand how tax policies fit in the context of their issues and how to incorporate key information and effective messages that resonate with the public.
- 3) Build for longer term repositioning of tax policy in the deficit reduction debate, ensuring that revenues are an essential and adequate component of any comprehensive deficit reduction debate.
- 4) Build overall capacity within advocacy groups to address revenue issues.

This role means that the project will proactively engage key coalitions. It will also create additional lasting capacity within the partner organizations to accomplish these goals.

In particular, we will focus on the following policies:

1. The 2010 budget and attendant tax debate;
2. The tax policy components of the issue debates on health care, education and energy, and potentially other issues;

3. The debate over extending/ending a portion of 2001 – 2003 tax cuts that help the wealthy and the effort to preserve the estate tax;
4. Debates over additional bad tax proposals;
5. Opportunities to close tax loopholes, expand low-income tax credits and make other progressive and effective tax policy changes.

Strategic Approach: The next several months of debate over the FY10 budget, health care, education, energy—and taxes—will be critical. We will not form a new “tax coalition” but instead the Council will be the resources center for the broader advocacy community on taxes as well as engage in substantial activities of our own. We are already carrying out significant policy analysis, opinion research, messaging and strategic planning on the range of tax issues described above.

Our four major areas of functional work are Policy, Communication, Coalition Building & Outreach, and Field. With the added capacity of this project we will have the resources to carry out the following:

1. **Policy:** Expand analysis, research and communications efforts on tax policy in the context of other debates and on specific tax issues;
2. **Communications:** Engage in polling and other communications research to develop effective messages and provide technical assistance to national and state-based advocacy organizations to ensure that they run effective public education efforts aligned with our overarching message frame;
3. **Coalition Building & Outreach:** Coordinate carefully with other ongoing issue coalitions, to insert the material and messages we develop on taxes into their efforts. This will help us reach hundreds of additional national, state and local organizations.
4. **Field:** Relying on existing field networks and creating our own capacity where necessary, take our public education effort into the states, including through state-specific policy analysis, leadership development, grasstops and grassroots mobilization, and communications assistance in using rapid response and other actions to echo timely national messages.

The ongoing issue coalitions with which we will coordinate include Health Care for America Now, Rebuild and Renew America Now (the just-formed budget coalition), and organized efforts on climate change, education and other national issues. We are already in discussions with the leadership groups of these coalitions to ensure that they have the strategic messaging they need on how tax policies impact the policies on which they are focusing.

Over the longer term, our task is to permanently change the country’s understanding of the critical need to raise revenues to address the nation’s serious fiscal challenges, combat poverty, and help promote shared economic prosperity. The conservative movement spent 40 years instilling their “taxes are bad” message frame within the country. We understand the challenges before us to change the terms of the debate. We believe that we have an opportunity to seize a critical opening for these longer-term initiatives.

After years of playing defense on taxes, the historic change in the Administration provides a unique and urgent opportunity to transform our budget and tax policies to create more responsibility, equity, and sustainability within them. It is imperative that advocates for greater income equality and critical new investments meet this significant challenge—and this project will enable a wide array of national and state organizations to participate in this critical national debate. We have received a significant 1:1 matching grant for this work and are seeking additional funding to meet the match. For further information please contact any one of the partner organizations.