

## Taxing Our Way to a Just Society

By Katie Baird and Cynthia Stewart

Few topics are less-well understood, or more quickly put the public to sleep than tax policy. Yet especially in our state, it's essential knowledge. And not just because public oversight of government depends on it: If you care about redressing our nation's racially-biased past, it is necessary to recognize how tax policy furthers our regretful history of disparate treatment for different races.

The inequalities in our state's tax code are well known, and have gained us the ignoble designation of "[the most unfair state and local tax system in the country](#)." This medal of dishonor from the Institute Taxation and Economic Policy is based on ITEP's assessment of how fairly the tax burden is spread among residents in each of the 50 states. Washington State comes in dead last.

The problem in our state is that state and local governments rely heavily on sales and excise taxes, taxes which fall disproportionately on the poor. Meanwhile, we lack the income or wealth taxes to rebalance the burden towards those with the means to carry it.

The result is that those least able to pay for government services pay the most. Our poorest residents pay 18 percent of their income in state and local taxes; the state's super-rich pay only 3 percent.

This inverted, unfair way of paying for the necessary and valuable services provided by our state and local governments means that through our tax code, we bestow benefits on the rich by leaning hard on the poor.

Americans today increasingly understand that the stain of our racially-biased history is not behind us. Whether we inspect the long-term impact of housing, voting, employment or social policies, or we examine the ongoing legacy of our criminal justice and educational systems, we find our past is still alive in the present.

One clear vestige of this past is today's distribution of income and wealth. Wealth tells us how resources have accumulated in families over the generations. The typical white household in American has 10 times more wealth than has a typical black [one](#). In Washington State, black residents are three times more likely than white ones to be poor, and poverty remains the most entrenched among our state's native American [population](#).

Such unequal outcomes do not result from bad choices or misfortune, but rather from an historically-tilted, state-sponsored playing field that has advantaged the light-skinned among us and disadvantaged others.

We can thus add Washington's tax code to the list of ongoing ways that American policy disadvantages people of color.

A key problem those seeking tax reform in our state face, though, is that the topic is wonky. When the conversation turns to, say, the difference between *marginal* and *average* taxes, the public has changed the channel.

Moreover, opponents of any reform can easily tap into our fear of more taxes by focusing on their obvious burden rather than their less understood benefits – good schools, a cleaner environment, safe roads, beautiful parks, and assistance to the needy.

As we write, the holidays approach. In this season of reflection, we ask you to consider how we collectively pay for our governments, and how our state's unfair tax system aggravates rather than undoes our racially-biased past.

This year, help us in calling for a major shift in Washington's tax policy. Contact your legislators and demand that they support a capital gains tax in the upcoming session, and move forward plans for an income tax.

It's easy to hate taxes and reach for the remote when the topic arises. But paying for the services our government provides is a necessary evil. It is time, though, to decouple that necessary evil from the unnecessary one of its unfair, racially-imbalanced impact.

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