



“To create thriving communities across Louisiana, we must reform our tax structure. This reform should meet the FACTS principles: fairness, adequacy, competitiveness, timeliness, and sustainability.”

Fairness

- Those at the bottom of the income distribution pay **more than twice of their income in taxes compared to the top 1 percent.**
- In order to right our “upside down” tax code, we need to eliminate costly tax breaks that benefit those at the top.
- Under the LBP plan, **60 percent of Louisianans receive a net tax cut**, while the richest households pay a little more.
- Louisiana has the **3rd highest poverty rate in the country and 4th highest income inequality**, meaning those at the top are doing well but too many people are struggling for the basics in life.
 - The tax code should ask a little bit more from those who have benefitted from the economy, so those struggling can get a hand up through our K-12 education system, higher ed, and a safety net when we fall on hard times.

Adequacy

- Louisiana is a low-investment state. We have the fifth lowest taxes in the country.
- We need to shift the conversation from **“where do we cut?”** to **“where do we invest?”**
 - Investments in schools, teachers, public safety, roads, bridges, hospitals all lead to economic growth and support people struggling to make ends meet.
 - These investments will lead to a growing economy that benefits all Louisianans.

Competitiveness

- Short-sighted tax cuts and the growth of tax breaks that benefit those at the top have led the state to continually be in a place where we can’t pay our bills and meet our obligations to students, seniors, universities, and health care providers. We can’t have top-notch universities and hospitals without making the necessary investments.

Timeliness

- The time to act is now. There are common sense solutions that lawmakers can enact right away. We can’t leave this problem for our children.

Sustainability

- We need to be prepared for the future and stop lurching one budget crisis to the next.
 - Businesses and citizens deserve a predictable tax structure that grows with the economy. A sustainable revenue path leads to a stronger Louisiana.
 - A sustainable revenue path brings certainty to students who rely upon TOPS, schools, and businesses who must plan for the long-term.
- Over half the income growth in Louisiana is going to the top 1% of earners.
 - Ending costly tax breaks while increasing fairness also is more sustainable since the growth in incomes is happening for those at the top.



Key Talking Points:

- We all know the ingredients of a great community. Schools with good teachers, well-maintained streets, emergency response to keep us safe, access to high quality healthcare—these basics help communities thrive. Are we doing all we can to make sure all our communities have them?
- “You can’t get something for nothing. We all want and deserve thriving communities with great schools, parks, modern roads and bridges; and we chip in to pay for that. That’s what taxes are for. But our tax code needs serious reform; it is riddled with **out-of-control tax breaks** that are siphoning off the resources that would be better used in our communities. Should we be spending on things that benefit all of us and make our communities thrive, or on **tax breaks that mostly benefit a few?**”
- A good public budget is one that plans for the future and for the unexpected. And good taxes are the ones that allow a community to pay for the public goods and services for which it has planned.
 - The Legislature sets the state’s priorities, shaped by the people of the state, and then we need to pay for these key priorities: schools, hospitals, roads, bridges, and public safety.
- We can have the greatest schools, health, infrastructure, and safety in the nation—that’s how our quality of life and our economy will grow. When we spend on fundamentals like quality education, modern infrastructure, and so on, we are investing in our state’s prosperity. Which path will we take: the path toward thriving communities across our state or the path toward slow deterioration and a widening gap in quality of life?
- When we get rid of the **tax breaks that powerful groups have forced into our tax code**, we’ll be in a stronger position to move Louisiana forward. Most of us can’t explain exactly how the tax code works, but when we see schools crumbling, college costs going up, emergency services getting cut, and our communities struggling, all while a few at the top push for mind-boggling tax cuts, then we know our **state’s priorities are all wrong.**