

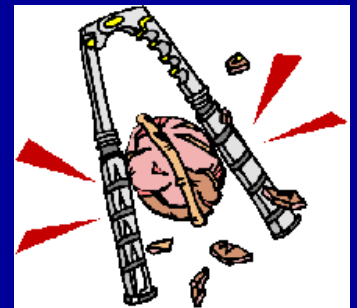
# Taxes for the Common Good



**Why it matters.**

# Crunching Numbers

- **86.7 million**
- **64.4 million**
- **18.7 million**



# The Health Care Crunch

- **86.7 million** people were uninsured at some point in 2007-2008 – ***1 in 3 people***.
- **64.4 million** non-elderly will spend more than 10% of their family income on health care this year (and nearly 83% of them have health insurance).
- **18.7 million** non-elderly will spend more than 25% (of these,  $\frac{3}{4}$  have health insurance).

# Other Needs

- **Jobs:** 25.8 million un- or underemployed in May – 16.4%.
- **Education:** Nearly 1 in 5 18-24 year olds hasn't finished high school.
- **Hunger:** 36 million people in food insecure households in 2007.
- **Poverty:** 37 million people poor in 2007.

***Worse now.***

# If unemployment rises to 9 percent

- At least 2-3 million **more** jobless
- 7.5 – 10.3 million **more** poor  
(added to 37m in 2007)
- 2.6 – 3.3 million **more** poor children  
(added to 18m in 2007)

(Source of poverty estimates:  
Center on Budget and Policy Priorities:  
<http://www.cbpp.org/11-24-08pov.htm>)

# Our future is at stake

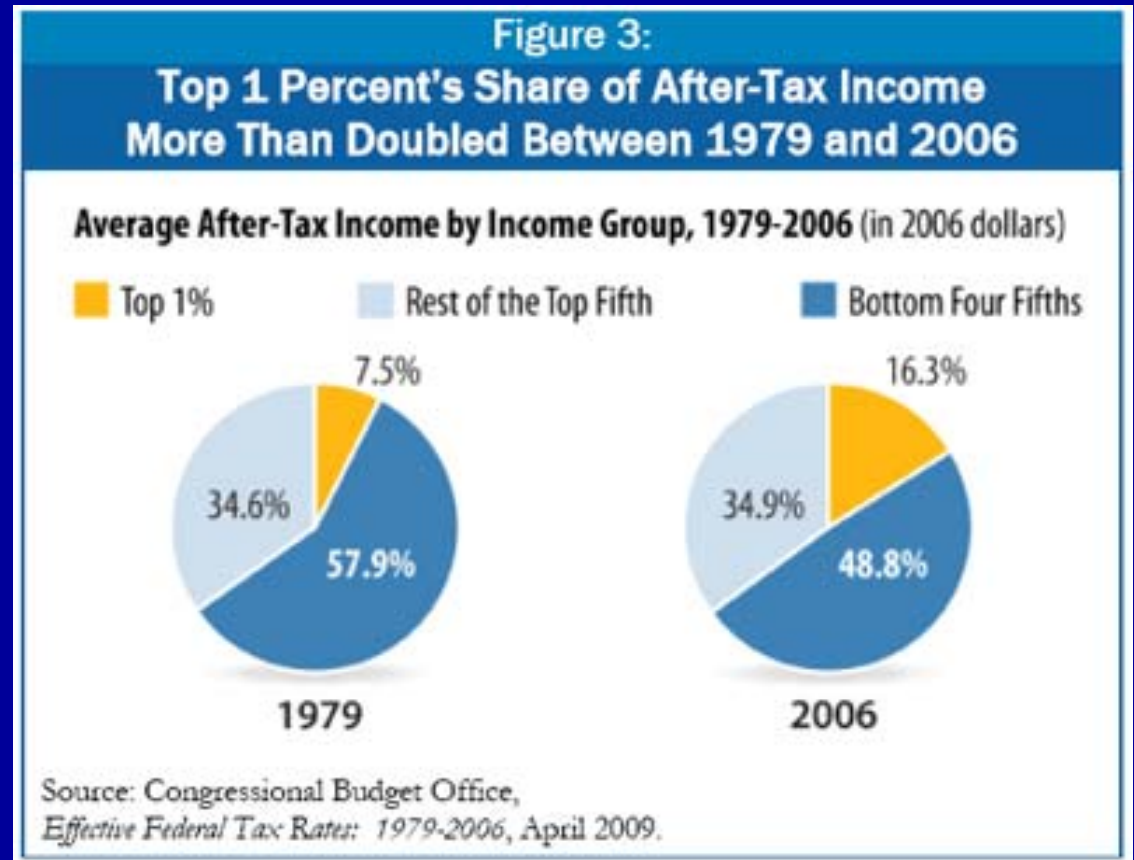
## More child poverty means more...

- Babies and toddlers with poor health
- Children under 3 being hospitalized
- Inadequate nutrition among young children
- Threats to development of brain architecture
- Later problems in school – and life-long struggles to catch up



# Gap between rich and poor **tripled** between 1979 - 2006

- In 1979, the top 1% had incomes **22.6** times higher than the bottom fifth.
- In 2000, **63.1** times higher.
- In 2006, **72.7** times higher.



# Unshared Economic Progress

(from 1976 – 2006)

- Top 1% after-tax income rose from \$337,000 to \$1.2 million (256%)
- Middle fifth rose from \$42,900 to \$52,100 (21%)
- Bottom fifth rose from \$14,900 to \$16,500 (11%)

Solving the nation's problems  
costs money.



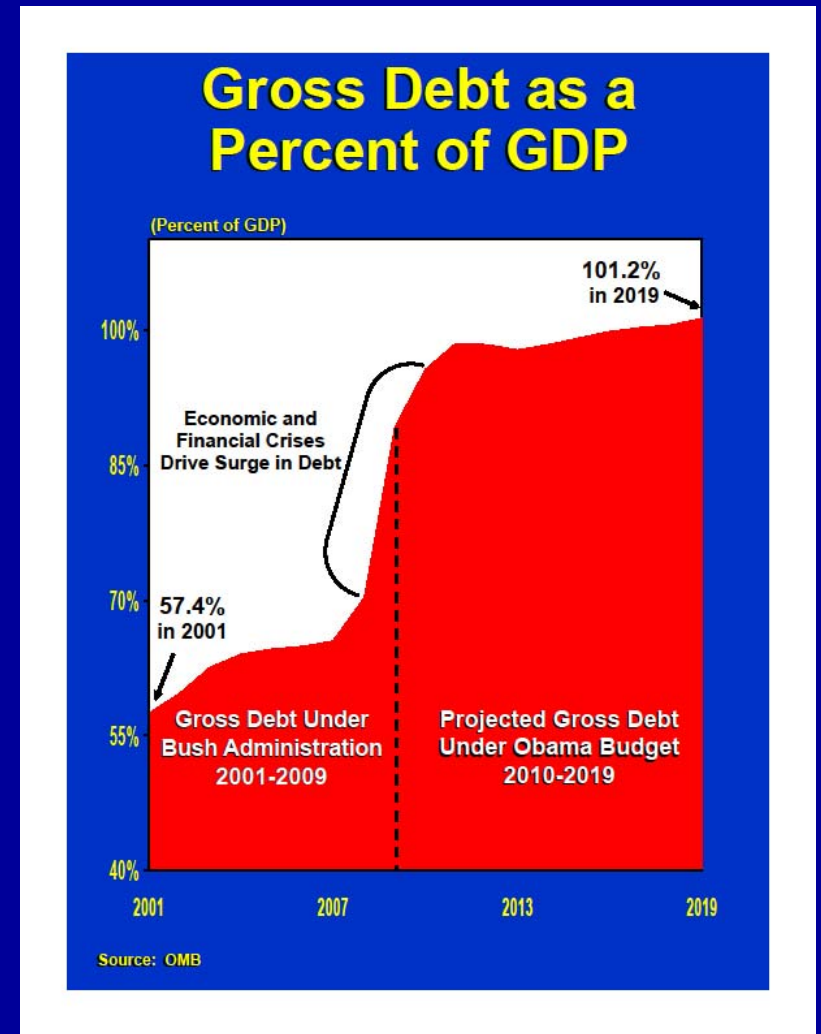
**Because it  
doesn't.**

*Since the tree option isn't  
working out...*

*3 other possibilities:*

# Borrow

- Yes, we have to, but there's a limit.



# Reduce Spending

**Will have to do some of that, too.**

- President's health care plan assumes \$316 billion over 10 years in savings
  - \$175 billion saved from Medicare Advantage plans
  - Other savings in reducing cost of drugs, reducing hospital readmissions, etc.

**But must ensure that we do not reduce needed services.**

# Raise Revenues

- An essential part of the solution.
  - Joan will tell you more.

# Organizations Can Join in a Call for Responsible, Fair Taxes

Add your organization's name to a  
joint statement, at [www.chn.org](http://www.chn.org)

# Responsible and Fair Taxation: Funding Investments for the Common Good

- “To rebuild our economy and expand opportunity and security for all, we need to sustain and strengthen our public investments...” **Adequate revenues are needed.**
- Taxes at historic low relative to economy; recent tax cuts disproportionately benefit the affluent.

# Tax Principles:

- **Adequacy:** raise sufficient revenue over time to meet our shared priorities and invest in our common future.
- **Fairness:** eliminate tax preferences that overwhelmingly benefit the wealthy and corporations; individuals and businesses should be taxed according to ability to pay.
- **Responsibility:** don't saddle future generations with unsustainable debt.

# Types of taxes we support:

- Raising revenues from upper-income households;
- Significant tax on large estates;
- Reducing abuses from sheltering income in offshore tax evasion or avoidance;
- Close corporate tax loopholes;
- Reduce tax preferences for unearned income.

# Thanks!

- For more information:

***And to sign statement:*** [www.chn.org](http://www.chn.org)

[www.nwlc.org](http://www.nwlc.org)

[www.wealthforcommongood.org](http://www.wealthforcommongood.org)

***To take action:*** [www.rebuildandrenew.org](http://www.rebuildandrenew.org)

[www.ctj.org](http://www.ctj.org)

[www.cbpp.org](http://www.cbpp.org)