Welcome

Fran Rosebush Baylor
Director of Field Engagement
Prosperity Now
This webinar is being recorded and will be available online within one week.

All webinar attendees are muted to ensure sound quality.

Ask a question any time by typing the question into the text box of the GoToWebinar Control Panel.

If you experience any technical issues, email gotomeeting@prosperitynow.org.
Prosperity Now’s mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.
Today’s Agenda

- Current Upside-Down Tax Policy
- Latest Developments on Capitol Hill
- What Advocates Can Do Now
- Audience Q&A
- Next Steps
Today’s Speakers

Vanna Cure | Senior Advocacy Manager, Prosperity Now

Chris Brown | Director, Financial Security, PolicyLink

Chye-Ching Huang | Deputy Director, Federal Tax Policy, CBPP

Meredith Dodson | Director, U.S. Poverty Campaigns, RESULTS
Vanna Cure
Senior Advocacy Manager
Prosperity Now
Poll: When it comes to tax policy, which issues most concerns you?
Select all that apply.

- Earned Income Tax Credit (EITC)
- Free community tax preparation (VITA/TCE)
- Equitable tax expenditure distributions for LMI households
- Tax-time savings and asset building
- Other (tell us more in the comment box)
Our tax system is upside-down

<table>
<thead>
<tr>
<th>TAX BENEFITS FOR</th>
<th>MILLIONAIRES</th>
<th>WORKING FAMILIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAVINGS &amp; INVESTMENTS</td>
<td>$126,448</td>
<td>$10</td>
</tr>
<tr>
<td>HOMEOWNERSHIP</td>
<td>$10,636</td>
<td>$16</td>
</tr>
<tr>
<td>RETIREMENT</td>
<td>$9,889</td>
<td>$64</td>
</tr>
<tr>
<td>HIGHER EDUCATION</td>
<td>$0</td>
<td>$84</td>
</tr>
<tr>
<td>TOTAL FOR 2015</td>
<td>$146,973</td>
<td>$174</td>
</tr>
</tbody>
</table>

Source: [From Upside Down to Right-Side Up: Redeploying $540 Billion in Federal Spending to Help All Families Save, Invest and Build Wealth](https://prosperitynow.org), ProsperityNow (2016)
The vast majority of tax incentives go to those at the top, not to those who need it most. Tax plans currently being considered by leaders in Congress and the Administration would make this problem even worse. We need tax reform that will provide more help to low- and moderate-income households to build wealth and get ahead. Together, we will turn our upside-down tax code right-side up.

https://prosperitynow.org/advocate/tax-reform
Chris Brown
Director, Financial Security
Policy Link
The Tax Alliance: Principles for Correcting Upside-Down Tax Policies

Christopher Brown, Director Financial Security
• Over 40 local and national advocates, policy experts, and racial justice organizations looking to turn the tax code right side up

• Co-Chaired by Prosperity Now & PolicyLink

• Awareness, Advocacy & Policy Change
Current Upside-Down Tax Code

- **FY2015 -$660 Billion in Tax Expenditures** directly to households for wealth-building activities – investing, homes, savings
- Lions share to top portion awarded to upper 1% of earners

Direct Impact on Access to Housing, Education, and Economic Mobility

**Share of Tax Subsidies, by Income Quintile (2011)**

- Bottom quintile: 41.1%
- Second quintile: 21.3%
- Middle quintile: 16.6%
- Fourth quintile: 10.3%
- Top quintile: 6.9%

**Demographic Composition of Income Quintile, by Race and Ethnicity (2011)**

- **Non-Hispanic White**: 79%
- **Black**: 7%
- **Latino**: 5%
- **Asian/Pacific Islander**: 1%
- **Native American/Alaska Native**: 1%
- **Other or Mixed Race**: 8%


Note: The income quintiles used in this graph were developed by the Tax Policy Center and are as follows (in 2011 dollars): bottom quintile ($0-$16,622); second quintile ($16,835-$33,422); middle quintile ($33,545-$55,486); fourth quintile ($55,487-$101,409); top quintile ($101,466 and up).

Source: PolicyLink analysis of 2011 American Community Survey, using income breaks (in 2011 dollars) developed by the Tax Policy Center.

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Principles for Reform: Making the Tax Code Work for All

**Principles for Reform: Housing and Homeownership Tax Expenditures**

About the Tax Alliance for Economic Mobility

The Tax Alliance for Economic Mobility, co-led by CFED and PolicyLink, convenes racial justice advocates, asset-building advocates, tax reform experts, and researchers to identify near- and longer-term policy priorities to expand savings and investment opportunities for lower-income households through reform of the U.S. tax code. The Alliance includes a coalition of national organizations that have agreed on shared principles and are working to educate and engage their networks about why equitable, inclusive, and progressive tax reform is crucial to building the long-term security of families, communities, and the national economy.

**Ref orm Principles Snapshot**

1. Ease barriers to low- and moderate-income renters becoming homeowners.
2. Increase benefits for renters.
3. Help communities of color build wealth through homeownership.
4. Reduce subsidies for mortgage debt and larger homes owned by high-income households.

**Principles for Reform: Higher Education & College Savings Tax Expenditures**

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**Ref orm Principles Snapshot**

1. Provide support to students who can most benefit.
2. Expand access to and support for college savings for lower-income students.
3. Provide support to students when they need it.
4. Simplify existing programs and increase take-up.
5. Incorporate automatic enrollment and eligibility programmatic features.
6. Eliminate programmatic features that disadvantage lower-income students.

**Principles for Reform: Retirement Savings Tax Expenditures**

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**Ref orm Principles Snapshot**

1. Expand access to workplace retirement accounts among low- and moderate-income Americans.
2. Help low- and moderate-income savers build their account balances by encouraging and/or matching individual contributions.
3. Reform existing retirement savings tax subsidies to ensure that lower-income workers receive their fair share of support.

**Policy Principles: Tax Credits for Low-Income Workers**

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**Ref orm Principles Snapshot**

1. Build on the opportunity-boosting successes of the EITC and CTC by strengthening these credits and making them more inclusive.
2. Build on the success of the federal EITC by expanding it at the state level.
3. Increase take-up and improve accessibility.
4. Protect honest working families when strengthening program integrity.
Sign up today at https://www.taxallianceforeconomicmobility.org/
Christopher M. Brown  
Director, Financial Security  
Co-Chair, Tax Alliance for Economic Mobility  
cbrown@policylink.org

Get Involved! Sign Up for Tax Alliance Updates  
www.taxallianceforeconomicmobility.org
Chye-Ching Huang
Deputy Director, Federal Tax Policy
Center on Budget and Policy Priorities
Overwhelming Share of House Republican “Better Way” Tax Cuts Goes to Top 1%

Share of total federal tax cut by income group, 2025

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Share of Total Tax Cut</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest quintile</td>
<td>1.7%</td>
</tr>
<tr>
<td>Second quintile</td>
<td>1.7%</td>
</tr>
<tr>
<td>Middle quintile</td>
<td>0.8%</td>
</tr>
<tr>
<td>Fourth quintile</td>
<td>-2.5%</td>
</tr>
<tr>
<td>80-90th percent</td>
<td>-8.9%</td>
</tr>
<tr>
<td>90-95th percent</td>
<td>-5.7%</td>
</tr>
<tr>
<td>95-99th percent</td>
<td>9.1%</td>
</tr>
<tr>
<td>Top 1 percent</td>
<td>99.6%</td>
</tr>
</tbody>
</table>

Note: The total federal tax change under the House GOP plan would be a net tax cut, but some income groups are expected to receive tax increases. Those groups are shown with a negative share of the total change, while groups expected to receive tax cuts are shown with a positive share.

Source: Tax Policy Center T16-0199
EITC Expansion Provides Bigger Boost for Most Working Families than Trump Plan – and at a Fraction of the Cost

Note: EITC expansion shown would close the gap in the EITC for workers without dependent children and then roughly double the maximum EITC for all family types, as proposed by Rep. Ro Khanna and Sen. Sherrod Brown. Benefit of EITC expansion is estimated for 2017; benefit of Trump tax cuts is estimated for 2018.

Source: Tax Policy Center tables T17-0189 and T17-0201
The Two-Stages of the Tax Debate

Two steps to passing major tax legislation:

1. Budget resolution

2. Tax bill
Budget Resolution

• Why? Sets up partisan fast-track for tax legislation

• At a bare minimum, revenue neutrality
  => No tax cuts that add to the deficit and thereby threaten cuts to critical programs in the future
  => No cutting programs that help families afford basic needs to pay for tax cuts
Tax Bill

1. At a bare minimum, revenue neutrality

2. “Mnuchin rule”: no tax cuts for the “upper class”

3. Tax reform should deliver help to those who need it most — low- and moderate-income people — not the wealthy and profitable corporations
The Looming Tax Debate

Chye-Ching Huang
Deputy Director, Federal Tax Policy

huang@cbpp.org
Poll: How would you describe your advocacy experience?

Select all that apply.

- Very experienced: I’ve lobbied and/or led advocacy campaigns
- Somewhat experienced: I was a part of an advocacy campaign
- Not at all experienced
- Advocating on other federal policy issues, but not tax
- Other (tell us more in the comment box)

Use the Comment Box to let us know more about your advocacy experience!
Meredith Dodson
Director, U.S. Poverty Campaigns
RESULTS
What is RESULTS?

RESULTS is a movement of passionate, committed everyday people. Together we use our voices to influence political decisions that will bring an end to poverty.
One in Eight?!?!?!

Tax policy has an important direct (e.g. EITC) and indirect impact on poverty in our own communities.
Connect the Dots: Tax and Budget Fight Puts Anti-Poverty Programs at Risk

- House budget leaders want to deep cuts to basic assistance programs, including “fast-track” reconciliation cuts, in their 2018 budget – to pay for tax breaks for wealthy millionaires and corporations
- House may vote on their budget resolution later in September
- Senate may vote on their budget in early October
Tax Cut Tradeoffs

**RYAN’S TAX & BUDGET PLANS**

<table>
<thead>
<tr>
<th>Tax Giveaways</th>
<th>vs</th>
<th>Harm to Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate tax rate cut</td>
<td></td>
<td>Cut to Medicaid &amp; other health care spending taking health care from millions of people</td>
</tr>
</tbody>
</table>

$1.8 Trillion

$1.5 Trillion

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

**RYAN’S TAX & BUDGET PLANS**

<table>
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<tr>
<th>Tax Giveaways</th>
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<tbody>
<tr>
<td>Tax cut from repealing tax on estates worth more than $5.5 million</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
  - Allows rich heirs to inherit their fortunes tax-free! |

$188 Billion

$150 Billion

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

- Cut to nutrition assistance
  - Millions of low-income families would lose their food stamps
Advocacy Works!

Want To Be Heard? Show Up!

Influence on Washington D.C.-based congressional staffers by communication type.

- A Lot of Positive Influence
- Some Positive Influence

- In Person Visits From Constituents
- Contact from Constituents' Reps
- Individualized Emails
- Individualized Letters
- Local Editorial Referencing Pending Issue
- Comments During Telephone Town Hall
- Phone Calls
- Letter to the Editor Referencing Your Boss
- Lobbyist Visit
- Form Emails

Have 5 min? Send a personalized email
Have 1 hour? Schedule a meeting/town hall

Source: Congressional Management Foundation

*Bars do not add up to 100 because not all surveyed categories are displayed
Tip: Tell Stories!

Stories matter and...they work!

- Effective way to influence policy makers, bust dangerous myths
- Stories 22x more likely to be remembered than facts alone, “sticky”
- Know your audience -- do your homework, research when you can

Congress must act now to save pro-work tax provisions

BY MAXINE THOMAS — 11/04/15 12:00 PM EST
THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

133 SHARES

Spending time with family and friends, laughing around the table, and volunteering to serve the people who are hungry at my church — all of these moments bring me a sense of joy. Just as I excitedly await the holiday season, there is another time of year that I look forward to: tax time. Tax season has become like another celebration for my family because of the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC).

I work full time, but I still find myself in the rut of not being able to afford the costs of everyday life. As the saying goes, I have to rob Peter to pay Paul. It is my reality. How do I decide which bill to prioritize when they are all important? A roof over our heads, electricity, heat, and water — these are all essential.

Throughout the year, I've learned to make payment arrangements to prevent my utilities from being disconnected. I've learned how to stretch a dollar bill by counting out the change.
RESULTS Tool: You can be EPIC!

Use the EPIC Laser Talk to help you create a powerful message

• **ENGAGE** the listener into the conversation

• Identify the **PROBLEM** you want them to address

• **INFORM** (or ILLUSTRATE) about the solution to the problem

• State a clear and specific **CALL TO ACTION**
Engage: Engage the listener into your conversation with a shocking statistic or by thanking them for something specific. (1-2 sentences)

New Census data shows that more than one in eight Americans are living below the poverty line.
Problem: Specifically identify the problem they can address. (1-2 sentences)

Yet, Congress is proposing to cut basic assistance programs such as SNAP (formerly food stamps), Medicaid, and the Earned Income Tax Credit to pay for more tax cuts for the wealthy.
**I = Inform or Illustrate**

**Inform/Illustrate:** Inform the listener about the solution to the problem and/or share a story that shows what the problem or success can look like. Good place for a story.

In 2016, the EITC (combined with the Child Tax Credit) lifted 8.2 million people out of poverty. SNAP lifted 3.6 million people out of poverty. These programs are a lifeline for hard-working Americans just trying to make ends meet. [Include a story if you can!] We should not cut anti-poverty programs to pay for tax cuts for the rich millionaires and wealthy corporations.
C = Call to Action

Call to Action: Make a specific, targeted request in the form of a YES or NO question.

Will you vote no to any budget proposal that cuts funding for basic assistance programs like Medicaid, SNAP, and the EITC to pay for tax cuts for the wealthy and corporations?
RESULTS Advocacy Resources

RESULTS: www.results.org

Take Action Now:
http://www.results.org/take-action/action-center?wsrc=%2fCampaigns

Activist Toolkit:
http://www.results.org/skills_center/activist_toolkit/

Meredith Dodson
Director of U.S. Poverty Campaigns
mdodson@results.org / @DodsonAdvocate
Audience Q & A

What questions do you have?
Share them in the Questions box!
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Vanna Cure | Senior Advocacy Manager, Prosperity Now  
vecure@prosperitynow.org

Chris Brown | Director, Financial Security, PolicyLink  
cbrown@policylink.org

Chye-Ching Huang | Deputy Director, Federal Tax Policy, CBPP  
huang@cbpp.org

Meredith Dodson | Director, U.S. Poverty Campaigns, RESULTS  
mdodson@results.org
Next Steps

▪ The **next webinar in our tax reform series** will be Tuesday, October 10. Invite colleagues and volunteers to attend!


▪ Sign up for the **Tax Alliance** newsletter at [https://www.taxallianceforeconomicmobility.org/](https://www.taxallianceforeconomicmobility.org/)

Join Prosperity Now’s Right-Side Up campaign at [www.prosperitynow.org/take-action](http://www.prosperitynow.org/take-action)
The Prosperity Now Community

facilitates **learning**

creates **connections**

& inspires **action**

to create and improve programs and policies that foster opportunity, especially for those who have not had it before.

Get involved in the Community today!

Sign up to stay informed about Prosperity Now and the Community.

*Sign up today at [prosperitynow.org/join]*
Want to dig deeper?

Sign up for listservs and working groups, volunteer to facilitate peer discussions, serve in a leadership role and more!

- Taxpayer Opportunity Network
- Adult Matched Savings Network
- Financial Coaching Network
- Innovations in Manufactured Housing (I’M HOME) Network
- Affordable Housing Network
- Racial Wealth Equity Network
- Campaign for Every Kids Future — Children’s Savings Accounts

Visit any of the networks above at prosperitynow.org/getinvolved to get started.
Take action with Prosperity Now Campaigns!

Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

HOMEOWNERSHIP
Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

CONSUMER PROTECTIONS
Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

SAFETY NET
Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

TURN IT RIGHT-SIDE UP
The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.

Visit any of the Campaigns above at https://prosperitynow.org/advocate to learn more and join.
Take Action at the Prosperity Now Advocacy Center!

Make your voice heard by calling, emailing, tweeting or scheduling a visit with your Members of Congress with a fast and simple click of a button!  
[https://prosperitynow.org/take-action](https://prosperitynow.org/take-action)
Thank you!

Please take our survey following the webinar