2019 Session Tax Increases

Tax Ta	ally		
(Dollars in Millions)			
Bill	2 year	4 year	10 year
HB 1087	-	\$2,090	\$8,930
SB 5313	\$1,422	\$2,976	\$8,661
HB 2158	\$380	\$945	\$3,009
SB 5998	\$244	\$598	\$1,884
HB 2167	\$133	\$339	\$1,089
SB 5993	\$165	\$361	\$1,075
SB 6016	\$59	\$125	\$368
SB 5997	\$54	\$113	\$327
SB 6004	\$5	\$11	\$32
	\$2,462	\$7,558	\$25,375
	(Dollars in N Bill HB 1087 SB 5313 HB 2158 SB 5998 HB 2167 SB 5993 SB 6016 SB 5997 SB 6004	Bill 2 year HB 1087 - SB 5313 \$1,422 HB 2158 \$380 SB 5998 \$244 HB 2167 \$133 SB 5993 \$165 SB 6016 \$59 SB 5997 \$54 SB 6004 \$5	(Dollars in Millions) Bill 2 year 4 year HB 1087 - \$2,090 SB 5313 \$1,422 \$2,976 HB 2158 \$380 \$945 SB 5998 \$244 \$598 HB 2167 \$133 \$339 SB 5993 \$165 \$361 SB 6016 \$59 \$125 SB 5997 \$54 \$113 SB 6004 \$5 \$11 \$2,462 \$7,558

Let's talk about taxes

The 2019 Legislative Session is now in the history books and the biggest takeaway is that there is good news and there is bad news.

The good news is that not all of the taxes that were proposed passed. We were able to stop a 16-cent/gallon gas tax that would have increased to 46 cents without spending a dime on new roads or highway projects.

The bad news is that other taxes managed to get through -- taxes that will add up to nearly \$2.5 billion over two years, \$7.6 billion over four years and a little more than \$25 billion over 10 years. (See table above.)

- The payroll tax will take **0.58 percent out of everyone's paycheck.**
- The property tax allows your local school levy to increase 67 percent.
- The B&O tax on services affects over 40 different occupations. (see below)
- The graduated real estate excise tax (REET) will make **apartment rents more expensiv**e during an affordable housing crisis.
- The bank tax was steamrolled through the Legislature at the last minute without proper consideration. It will, of course, be passed on to bank customers.
- A tax earmarked to cleanup toxins and other pollution is diverted to the state general fund, where it **can be spent for any purpose**, even if it has nothing to do with hazardous substance clean up.

Some of the occupations that will see a 20 percent increase in their Business and Occupation Tax

Newspapers, aircraft manufacturers, dentists, doctors, consultants, lawyers, broadcasters, mail-order businesses, mortgage brokers, unions, lending institutions, architects, cell-phone carriers, outpatient health service providers, insurance agents, accountants and more. **Again, taxes are additional expenses that will be passed along to the consumer in the form of higher prices.**

28th Legislative District transportation projects funded in the transportation budget:

- New "Freedom Bridge" over I-5 at Joint Base Lewis-McChord
- <u>Dupont-Steilacoom Road expansion</u>
- Railroad Quiet Zones

Read more about the 2019-21 budgets:

Operating

Capital

Transportation



Continuing the fight for Car-tab relief

My fight for Sound Transit car-tab relief and accountability continued this session. I had four bills:

- <u>Senate Bill 5042</u> would value vehicles based on Kelly Blue Book, instead of the convoluted, unconstitutional method they currently use, and cut the tax by 55 percent.
- <u>Senate Bill 5037</u> would have required Sound Transit to come back to the voters for additional funding beyond the \$54 billion they will already get.
- <u>Senate Bill 5043</u> would have allowed Pierce County voters within ST3 boundaries to nullify it.
- Lastly, and most importantly, <u>Senate Bill 5220</u> would have given taxpayers the

right to directly elect the Sound Transit board—taxation with true representation.

Though none of them became law, we did make some headway. For the first time since I began this fight, four years ago, I had bipartisan support on some of these bills.

Watch your mailboxes for more news from the 2019-21 Legislative Session!

End-of-session survey Do you think single-party control results in good policy? Select Yes Select No Do you think single-party control of Washington results in following good legislative process? Select Yes Select No Which issue do you think should be the Legislature's top focus now? School safety Select K-12 education Select Law enforcement Select **Higher education** Select 2nd amendment rights Select Tax relief Select Select Mental-health



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