

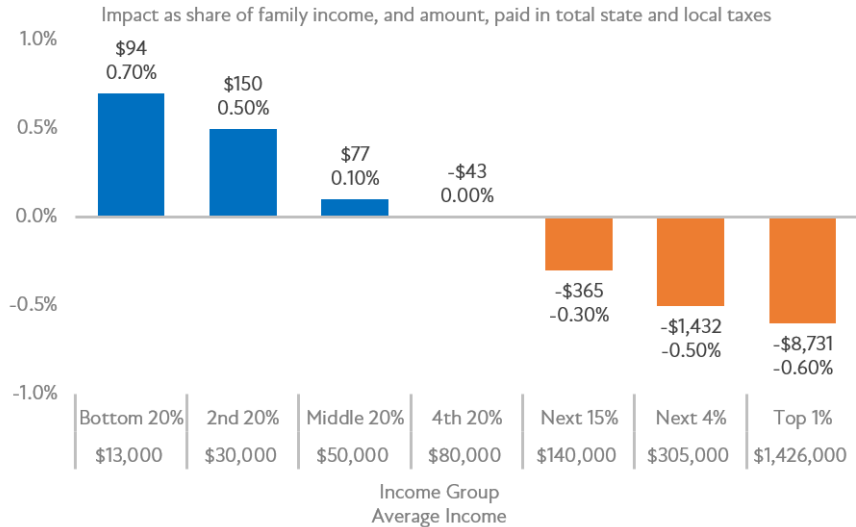
COMPREHENSIVE TAX REFORM - HB 201

Kentuckians want tax policies that benefit our communities, not extend tax breaks to corporations and the most wealthy.

Federal Covid Relief, plus a year of good revenue flow, lends us a surplus of money in our state budget this year. This is a once in a lifetime opportunity to fund the things we need like housing, education, and raises for workers.

We cannot waste this money by giving income tax cuts to the top 20% of earners while raising taxes for the rest of us.

Tax Shift is a Cut for Wealthiest Kentuckians, Increase on Bottom 60%



Source: Institute on Taxation and Economic Policy, 2021.

Kentucky Center for Economic Policy | kypolicy.org

As of 2018, KY's tax system became even more regressive-- meaning people who make the least money pay more of their income in taxes than do the richest people in KY.

Not only is this unfair, it's a missed opportunity to raise revenue.

This General Assembly, some republican lawmakers are working to make our tax structure even worse, aiming to cut income taxes significantly, relying on sales taxes alone to fund our budget. This is even more unfair, and will cause budget deficits long term.

HB 201 proposes a variety of reforms to the state tax code to make the system more fair:

- close loopholes
- make taxes more equitable across all income levels
- expand the family size tax credit
- put limits on some deductions (except charitable ones)
- reinstates an estate tax

To maintain a healthy budget, we must pass equitable, progressive tax reform.



KENTUCKIANS FOR THE COMMONWEALTH

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