

Resolution to Strengthen Schools and Retain Equitable Taxes
(Preservation of SB 6096)

In a courageous act to fund I-728 and I-732 to fund smaller class sizes, increase teacher salaries and other educational needs, the Washington State legislature under the leadership and direction of the Democrats passed Senate bill 6096 to create the Education Legacy Trust Fund to fund these priorities.

This law has **reinstated** an estate tax, maintaining a \$1.5 million exemption for calendar year 2005, a \$2 million exemption thereafter, and exempting family farms. It is expected to generate about \$133 million in this biennium.

RESOLUTION to Strengthen Schools and Retain Equitable Taxes by the preservation of SB 6096 and the Education Legacy Trust Fund.

WHEREAS I- 920 would revoke SB 6096;

WHEREAS Initiative 728 passed with 71% by the voters of Washington State therefore mandating additional funding for our public education system;

WHEREAS we need to support our institutions (K-12, higher education) to educate all of our children to develop the skills needed to obtain living wage jobs;

WHEREAS Washington's tax structure is one of the most regressive in the country and this law shifts the tax burden from middle and lower income taxpayers to our residents with incomes within the top 10% (~200 some estates would be impacted in a year).

WHEREAS this is money that has not been taxed before, most other states without the estate tax have an income or capital gains tax, but Washington does not.

WHEREAS SB 6096 exempts family farms and their farm equipment, an improvement over the previous law rendered invalid because of changes to the federal estate tax.

WHEREAS SB 6096 was the only source of funds for both I-728 and I-732 (funding voter mandated teacher pay) in 2005 and funded 700 higher education enrollments.

WHEREAS the Republican initiative to repeal this tax would remove this new funding source for education.

KCDCC/Legislative Action Committee

BE IT FURTHER RESOLVED that Washington State strengthens its educational system with revenue generated by the estate tax reinstated in SB 6096 as one of the most equitable strategies to fund such services.

NOW, THEREFORE, let it be resolved that the King County Democrats oppose I-920 and support the retention of SB 6096