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## Extreme tax plans are wrong for Iowa

**The income tax is one way we lay the foundation for widespread opportunity in our state.** Proposals at the Iowa Capitol would speed up and deepen big personal income-tax cuts passed in 2022. The most extreme plans would eliminate the tax altogether. These plans take Iowa the wrong direction:

### Income-tax cuts will blow a hole in the state budget

- **The personal income tax generates nearly half the state budget.** Slashing the income tax will demand painful — and unpopular — cuts to services that help Iowans thrive: everything from local public schools and mental and maternal health care to state parks and trails.
- Although Iowa has a temporary budget surplus lawmakers can use to paper over damage to services in the short term, **surpluses are one-time dollars.** When they're gone, they're gone.
- Tax-cut proponents are denying what we all know: **You can't get something for nothing.**

### Income-tax cuts rig the system against working Iowans

- **Income-tax cuts are a giveaway to the richest Iowans.** Under the Governor's plan, for example, the top 1% of earners would get an average cut of \$22,000. People in the bottom 20% would get an average cut of \$7.
- **Even now, low- and middle-income Iowans pay a higher share of their incomes in total state and local taxes** (income, sales and property) than richer neighbors. More cuts to the income tax, our only tax based on the ability to pay, would make the imbalance worse.

### Constitutional amendment would lock in breaks for wealthy

- **A proposed amendment would tie the hands of future lawmakers** from setting income-tax rates based on the ability to pay. By requiring a single, or flat, rate, it would force middle-class and poor families to shoulder much more of the load for our shared responsibilities.
- **Another version of the amendment would further cement inequity** by also requiring a 2/3 majority for income-tax increases — handing veto power over undoing budget damage to as few as 17 lawmakers and increasing pressure to increase sales and property taxes.

**Bottom line:** Reckless tax cuts run counter to Iowa's tradition of common-sense policymaking to promote widespread opportunity for all Iowans. We urge lawmakers to reject them.