



United Way of King County

MAINTAINING MOMENTUM FOR ECONOMIC JUSTICE

Boosting Access to Cash During the 2022 Tax Season

December 1, 2021

AssetFund.org

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Working Together to Achieve Economic Security for All

As the leading national grantmaker membership organization focused on advancing economic security, the Asset Funders Network engages philanthropy to confront inequities and advance equitable wealth building and economic mobility.

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SPEAKERS



Leila Batmanghelidj
(moderator)

Kaiser Permanente
Washington



Margaret Babayan

Washington Budget
and Policy Center



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United Way of King
County



Shaun Scott

Statewide Poverty
Action



Emily Vyhnanek

Washington
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Center

Boosting Access to Cash During the 2022 Tax Season:

**Building a more Equitable Economic Infrastructure
for Long Term Well Being**

Margaret Babayan (she/her)
Washington State Budget & Policy Center

State & federal supports vital

- Stimulus payments
- Expanded unemployment insurance
- Pandemic food assistance
- Eviction moratoriums paired with rental assistance
- Earned Income Tax Credit & child tax credit expansions
- Emergency relief funds, including WA Immigrant Relief Fund
- And more...



Important to remember
that these supports are
not accessible by all

Economic hardship continues

In Washington,

1 in 12 adults reporting their household did not have enough to eat

1 in 11 renters behind on rent

1 in 4 adults reporting difficulty covering usual household expenses

- These measures are consistently worse once we look at race/ethnicity, education, household income, and other factors
- And there are still **100,000+ fewer jobs** than before the pandemic began

**We have to keep
advocating!**

WA's "worst in the nation" tax code a problem even before the pandemic

- Lower income people in Washington pay **up to 6 times more** in taxes as a share of their income than the wealthiest in our state.

This is called an "upside down" or regressive tax code.

By the numbers:

- People who earn less than \$24,000 pay about 18% of their incomes in state and local taxes
- People who make more than \$550,000 only pay about 3% of their incomes in state and local taxes

Tax code deepens inequities

- Due to historical and present-day racism, households of color excluded from opportunities to build wealth, access higher-income jobs
- As a result, households of color generally pay higher effective tax rates in WA (next slide)
- Small % difference in tax rates translates to **hundreds of dollars a year** and **thousands over a lifetime** for households of color.

Households of color especially harmed by unjust tax code

Washingtonians of color face higher effective tax rates:*

7.7% State average for all races & ethnicities	8.4% American Indian/Alaska Native households	8.4% Native Hawaiian/Pacific Islander households	8.3% Hispanic** households
8.1% Black households	7.8% Multiracial households	7.6% Asian*** households	7.6% White households

Source & notes: Analysis provided by the Institute for Taxation & Economic Policy, ITEP; *%s shown reflect effective tax rates, or state and local taxes paid as a share of income; **Hispanic classification used in source data; *** Asian category needs further disaggregation

**The tax code can be a
powerful tool for economic
and racial justice**

Child tax credit expansions

Notable policy choices

- Expanded amounts (\$3,600 children 5 years or younger, \$3,000 older children)
- Fully refundable, which means lowest-income families are eligible
- Restored eligibility for children without Social Security Numbers
- Advance payments



Build Back Better proposal would make some of these changes **permanent!**

Social Issues

Most parents use child tax credit on food, bills and other necessities, survey finds



Ruth Jones, left, and her husband, James Jones, pose with their grandchildren Ayricah Clark, 10, and Nilique Jones, 17, near their home in Charleston, W.Va., on Oct. 21. The Joneses are raising their grandchildren. (Lexi Browning for The Washington Post)

By [Casey Parks](#)

November 18, 2021 at 2:16 p.m. EST



off the charts

POLICY INSIGHT
BEYOND THE NUMBERS

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After Child Tax Credit Payments Begin, Many More Families Have Enough to Eat

AUGUST 30, 2021, 12:00 PM | BY [CLAIRE ZIPPEL](#)

In the month and a half after the federal government began issuing monthly payments of the expanded Child Tax Credit, the number of adults living with children reporting that their household didn't have enough to eat fell by 3.3 million or nearly one-third, the [latest data](#) from the Census Bureau's Household Pulse Survey show.

WA Working Families Tax Credit

Will reach **420,000 households** starting in 2023!

Rebates depend on family size, up to:

- \$300 without children
- \$600 for families with 1 child
- \$900 for families with 2 children
- \$1,200 for families with 3 or more children

WFTC more equitable to lower-income filers and inclusive of immigrant taxpayers!

**Increasing access to tax
credits is paramount.**

Thank you for attending today's
Asset Funders Network presentation

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**WE VALUE YOUR TIME,
AND YOUR RESPONSES WILL INFORM
OUR FUTURE PLANNING**