

Charting the path to more equitable state tax policies

State tax systems fund a variety of services, from public school education, roads and bridges and healthcare to other vital programs. A healthy, adequate state tax system has a tangible effect on our daily lives. It can mean safe schools with modern facilities and textbooks instead of shorter school days and antiquated supplies due to insufficient budgets. It makes the difference between functioning transportation infrastructure or crumbling roads and bridges.

We all have a vested interest in sustainable state tax systems, yet nearly every state asks its poor and middle-income residents to pay a greater share of their income in taxes than their richest.

Upside-down state tax systems exacerbate widening income inequality in the short term; in the long term, states are left struggling to raise enough revenue to meet their basic needs.

The Institute on Taxation and Economic Policy (ITEP) has regularly published its flagship report, *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States*, since 1996. This report has made a seminal contribution to better understanding among policymakers, academics, researchers and advocates of state tax codes while providing data-driven information to effect policy change. Because of *Who Pays?*, it is widely understood that sales and excise taxes may be easier to pass legislatively than progressive income or business tax increases, but such policies disproportionately shift more tax responsibility onto low- and middle-income residents.

We're working toward more equitable state tax policies.

Our work focuses on righting this wrong trend. Besides *Who Pays?*, every year (especially during state legislative sessions) ITEP's state team publishes multiple analyses, reports and publications to aid state partners working to promote fair, sustainable, progressive state tax policies. Our analysts also work directly with policymakers, state partners and advocates to develop policy recommendations for comprehensive reforms and progressive revenue-raising options.

With your support, ITEP can continue to deliver critical, nonpartisan research, promote common sense tax policies and focus on reversing upside-down tax systems in state and local governments.



UNIQUE MODEL

ITEP is the only organization that publishes a comprehensive, distributional analysis of every state's tax system. Our Microsimulation Tax Model also has the capacity to analyze the effect of federal tax policies on each of the 50 states.



POLICY ANALYSTS

Our experienced team of policy analysts conducts research and analyses in all states on tax-related issues.



STATE PARTNERS

Anchored by ITEP staff expertise, we work with state partners to design progressive tax policy plans and share data to defend against regressive tax proposals, using our network to inform policymakers, advocates, journalists and citizens on tax policy proposals.

“It is impossible to fully describe how valuable ITEP's incisive, strategic, lightning-fast analysis is to our tax fights in Ohio. ITEP's work has, without a doubt, helped us keep Ohio's tax system more progressive, fairer and more adequate. This is the little think tank that roars.”

— Amy Hanauer, Executive Director, Policy Matters Ohio