

**2015 - 2016 Seattle City Council Statement of Legislative Intent**

**Ready for Notebook**

Tab	Action	Option	Version
132	1	A	1

**Budget Action Title:** Investigate instituting a "millionaires tax" in Seattle

**Councilmembers:** Licata; Rasmussen; Sawant

**Staff Analyst:** Ted Virdone

Date		Total	SB	BH	SC	TR	NL	TB	JG	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

**Statement of Legislative Intent:**

Council requests the Law Department research the legal possibilities that exist to impose an excise tax on annual individual or household earnings in excess of \$1,000,000. This will prepare council and advocates of progressive revenue sources to draft legislation to institute a millionaires tax in 2016.

It is intended to mitigate the effects of Washington State’s tax structure, the most regressive in the United States, which forces the poorest 20% of the population to pay 16.9% of their income in local taxes while the wealthiest 1% pay only 2.8%. An excise tax on households earning \$1,000,000 or more per year could generate revenue to address Seattle’s affordable housing crisis, expand human services, which are currently underfunded and facing cuts, and fund mass transportation projects. Households earning less than \$1,000,000 per year would not be affected.

**Responsible Council Committee(s):** Finance and Culture

**Date Due to Council:** 4/1/2015