



## It's time to end the revenue shortfalls and Invest in Minnesota

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**Invest in Minnesota unites faith, labor and nonprofit organizations around the following priorities for addressing budget shortfalls:**

- 1. Revenue-raising should be considered as a significant part of the solution to resolving the state's budget deficit.**
- 2. The overall package of revenue-raising should not make the tax system more unfair.**
  - An increase to the state's income tax based on the ability to pay should be a major component of a revenue-raising package.
  - Targeted tax credits for low- and moderate-income Minnesotans are an important tool in creating a fair tax system, and should be maintained and expanded.

**Minnesota should take a balanced approach to the state's budget shortfalls:**

- Minnesota should take a balanced approach to solving the \$5 billion budget deficit. Given the magnitude of the problem, no options should be taken off the table. Balancing solely through cuts to services takes dollars out Minnesota's economy.
- Minnesota's tax system asks low- and middle-income Minnesotans to pay more than their fair share. The Department of Revenue reports that those making more than \$472,000 annually pay 9.7% of their incomes in state and local taxes while those making between \$35,500 and \$76,000 pay over 12%.
- The majority of surveyed Minnesotans support a balanced approach to addressing revenue shortfalls that includes raising taxes in order to avoid painful cuts to services for the elderly and people with disabilities, education, health care and job training.
- History shows that when we invest in Minnesota, we can build a stronger state. Minnesota's economy outperformed the nation through the 1980s and 1990s, when our taxes were higher.
- Starting in 2002, we have used a cuts-only approach to solve budget shortfalls—causing Minnesota to lose ground in quality of life indicators compared to other states.

**Endorsing organizations include:**

A Minnesota Without Poverty, Affirmative Options Coalition, AFSCME Council 5, AFSCME Council 5 Retirees Political Club, AFSCME Council 65, AFSCME Council 868, Alliance of Low-Wealth Minnesotans, ARC of Minnesota, Arrowhead Economic Opportunity Agency, Bluff Country Family Resources, Child Care Works, Children's Defense Fund – Minnesota, Churches United in Ministry, Clare Housing, Elim Transitional Housing, Inc., Emerge Community Development, Growth & Justice, HOME Line, Hunger Solutions, Integrated Community Solutions, Inc., Jewish Community Action, JOBS NOW Coalition, Joint Religious Legislative Coalition, Just Faith of North Branch, Kids at Risk Action, League of Women Voters Minnesota, Legal Services Advocacy Project, Metropolitan Consortium of Community Developers, Metropolitan Interfaith Council on Affordable Housing (MICAH), Mid Minnesota Women's Center, Minnesota Association of Professional Employers (MAPE), Minnesota AFL-CIO, Minnesota State AFL-CIO Retiree Council, Minnesota Budget Project, Minnesota Catholic Conference, Minnesota Citizens for Tax Justice, Minnesota Coalition for Battered Women, Minnesota Coalition for the Homeless, Minnesota Community Action Partnership, Minnesota Consortium for Citizens with Disabilities, Minnesota Council of Nonprofits, Minnesota Housing Partnership, Minnesota Public Interest Research Group (MPIRG), Minnesota Recovery Connection, Minnesota Social Service Association (MSSA), Minnesota Youth Intervention Programs Association, Onesie Project, Packard Group, Progressive Action Alliance of Washington County, Project for Pride in Living (PPL), RESOURCE, St. Mary's Health Clinics, St. Paul Regional Labor Federation, SEIU, Sierra Club North Star Chapter, Take Action Minnesota, Teamsters Joint Council 32, Transit for Livable Communities, TSE, Inc., Unite Here Local 21, Wealth for the Common Good, YWCA of Minneapolis

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