

MINI-TOOLKIT: TAXES, TAX SHIFTS & TAX CUTS

North Carolina's revenue system funds investments in the public structures—schools, courts, hospitals, colleges, universities, and infrastructure—that are critical to building and preserving a strong middle class and a 21st century economy. It is not just important that North Carolina have adequate resources to make these investments but how that revenue is raised is important too. The Budget and Tax Center produces research on state and federal tax policies with a focus on how they support economic opportunity and shared prosperity in North Carolina's communities.

OVERVIEW OF ANALYTICAL PUBLICATIONS

2013 Final Tax Plan: This report provides an overview of the 2013 final tax plan and its impact on the adequacy and equity of the state's tax code.

Guide to Implementation of Tax Plan Changes: This timeline document provides an overview of the major components of the tax plan and when they go into effect.

Who Pays?: This brief provides an updated analysis of the tax plan and the greater tax load that low- and middle-income taxpayers are carrying as a result.

The State Earned Income Tax Credit: This policy is a critical component to an equitable tax system. In addition to the annual brief on the impact of this credit for working families and local communities, see this piece on the EITC and minimum wage.

Components of the State Tax System: For general analysis of the state tax code components, check out BTC publications on the personal income tax, corporate income tax and sales tax.

A Proposal for Revenue Modernization: This overview of the Budget & Tax Center's ideas for revenue modernization is still relevant today given the failure of policymakers to adopt reforms that align with the principles of sound taxation.

CHECK OUT THESE SHORTER ANALYSES

- [Revenue continues to underperform projections, shortfall will likely grow larger](#)
- [Four reasons 2013 tax plan the likely driver of revenue shortfalls](#)
- [Erosion of Corporate Income Tax Contributes to Revenue and Budget Challenges](#)

SOCIAL MEDIA & OTHER TOOLS

Everybody Pays Taxes: Too often claims run rampant that the vast majority of Americans don't pay taxes. [This graphic](#) provides a simple explanation of the taxes that everyone pays and why a progressive income tax is essential to achieving fairness.

Lessons from Kansas: The story of Kansas' experiment with tax cuts has made the mainstream newspapers and is making it clear the damage that fewer dollars can have on education and the economy. [This graphic](#) provides a simple demonstration that North Carolina shouldn't follow Kansas' lead.

Fact Sheets: For shorter pieces tailored to specific audiences, check out these fact sheets for older adults, business leaders, child advocates, and women.

Talking Point Guides: We have developed talking points for discussing the tax plan with proponents of these plans and folks not yet decided. Email Amber to get a copy for your use in conversations and presentations.

HOW TO USE BTC PRODUCTS

- **Incorporate messages on tax plan into your work.** It is critical that the public and policymakers understand the connection between their decisions on taxes and the state budget as well as the economy. The more partners can draw the line back to the tax plan, the stronger that connection in the public's mind.
- **Host a house party or community presentation** to share information about the tax plan. Urge attendees to write a letter to their local elected officials to stop further tax cuts and reform the triggers that will allow the corporate income tax rate to be cut in future years. We can provide slides and talking points for presentations.
- **Join our Letter to the Editor Corps** to get tips on writing about fiscal and economic policy for your local paper as news stories develop. Contact Amber to get on the list of regular updates and pointers.

RELATED RESOURCES

For more information on taxes, check out the research and commentary from these groups.

Institute on Taxation and Economic Policy: [Here is their North Carolina page](#) with reporting and analyses specific to our state.

Center on Budget & Policy Priorities: [Here is a summary of their state tax products](#) including key products summarizing the lack of research supporting a strong connection between income tax cuts and economic growth.