

Overall Message:

We build thriving communities with investments in good schools, strong public pensions, modern infrastructure and other foundations of an economy that works for all Kentuckians. We know what we want, and we know that we're worth the investments for good jobs, clean air and water, quality education, and healthy, vibrant communities. This Kentucky is possible, but we need to reform our state taxes to make this vision a reality.

When legislators choose to reduce funding for such public investments while providing tax breaks to the wealthy and special favors for special interests, they are actively making a choice. Giving away more tax breaks and special treatment to powerful interests will gut investments in the communities of our Commonwealth.

Pensions:

- State elected leaders are attempting to pass legislation on Kentucky's public pension system that presents a false choice – cut pension benefits or cut education funding. There is another way.
- The reason pensions are underfunded is because the state has underfunded them for years. We do not have adequate revenue to support vital public services and includes benefits for public servants.
- Retirees, current employees and new hires have already been subject to reforms that lowered their benefits and increased the amount they pay into the system. We should be strengthening our public pensions so Kentucky can continue to hire the best and the brightest public servants.
- It is time for legislators to fund their portion of the needed pension contributions and make up for the payments missed in the past by enacting comprehensive tax reform that closes special interest tax breaks to raise the necessary revenue.

Revenue and Tax Reform:

- We already spend too much on tax breaks - \$13 billion in tax breaks compared to \$10 billion in investments each year - and letting powerful interests insert more giveaways into our tax code for their own gain will further erode investments in our communities. Some of these tax breaks include not taxing limo rides, golf club fees, armored car services, dry cleaning, and many other luxury services that mainly benefit the wealthy.
- According to the Institute for Taxation and Economic Policy, middle-income Kentuckians (those making \$30,000-\$50,000 per year) contribute almost 11% of their incomes to state and local taxes. The wealthiest 1% of Kentuckians (those making over \$330,000 per year) contribute only 6% of the incomes to the public investments of our communities.
- HB 366 raises an inadequate amount of revenue and does so in a way that is regressive and will disproportionately impact low and middle-income Kentuckians. We need a revenue raising bill that is fair, adequate, and sustainable like what is found in House Bill 29.

Kentucky's Budget:

- Public discussion in Kentucky has finally reached a critical moment--everyone now agrees more revenue is needed for our budget. We can't continue cutting investments in our future.
- The House budget notably restores funding to several key areas, and does so with revenue-increasing measures take a step in the right direction towards raising revenue. At the same time, we have many more revenue options that can create a truly strong, responsible budget – options that will help ensure revenue actually grows with our economy over time and that will end special treatment for the wealthy and large corporations.
- Chairman Rudy has identified an interest in further addressing the tax issue and we applaud his interest in a public discussion in the 2018 regular session. We look forward to working with Chairman Rudy and the rest of the legislature to craft a truly comprehensive approach that will raise new revenue in a way that is adequate, sustainable and fair. That will mean cleaning up special interest tax breaks so we can make the investments that will truly help our communities to thrive.

How to Tell Your Legislators: Public Pension Underfunding Shows Need for Revenue

1. *Bevin's pension plan **breaks the promise** made to state employees, lowers their wages, and devalues their public service. [#APensionIsAPromise](#)*
2. *Reducing benefits will cause instability in the workforce as people retire or look for jobs in other states with better benefits. This will hamstring public investments and will **directly impact the quality of the essential programs we all rely on.** [#DontCutItFundIt](#)*
3. *We want you to focus on the **real problem** which is **declining revenue**. We want you to reform the tax code to raise more revenue by closing loopholes and handouts for corporations and millionaires. [#FindFundingFirst](#)*
4. *We want you to vote **NO** on any pension proposal that reduces benefits for current or future public workers. By raising additional revenue through tax reform, we can stabilize our public pension system and prevent dangerous budget cuts during the 2018 General Assembly. [#UnitedWeStand](#)*
5. *We taxpayers **WANT** to fund the services that **support the public good and make Kentucky great**. It is possible to reform the tax code to be more fair and sustainable. The Kentucky Forward Plan, currently filed as **House Bill 29** and sponsored by Rep. Jim Wayne, can serve as a starting point for tax/pension reform discussions. [#WeAreKentucky](#)*

Speaking to the Public: Good words/phrases to use

- Public investments
- Thriving communities
- Tax shifting, not tax reform (regarding Bevin's proposals)
- Our public workers
- We all need to pitch in
 - To pay for all public services such as- parks, schools, roads,
 - We all do better when we all do better
- The majority of people believe...
- Everyone should pay their fair share
 - Kentucky's upside-down tax system where the middle class pays almost twice as much as a share of their income compared to the wealthiest 1%
- Commonwealth means we provide for the common good

Speaking to the Public: Words/phrases to avoid

- Instead of tax code, use tax system
- Anything that conveys an anti-tax ideology (such as taxes being a "burden")
- Anything overly jargony - try to think of an adequate replacement word that more people can understand ("tax breaks" instead of "tax expenditures", "raise more public funds" instead of "raise more revenue")
- More money in the pockets of taxpayers....
- "I don't want anyone to mess with my taxes...." but if they leave you alone then they know they can go after a different, less powerful group. Lift up your story but also remember solidarity.
- Saying that the government is spending "taxpayer dollars" or "our money" -- is a frame that actually supports right-wing ideology
- Pension Crisis - this reinforces Gov. Bevin message
- Waste, fraud, and abuse (used by those opposing public investments to discredit public institutions, then use those seeds of distrust to justify privatizing public services)