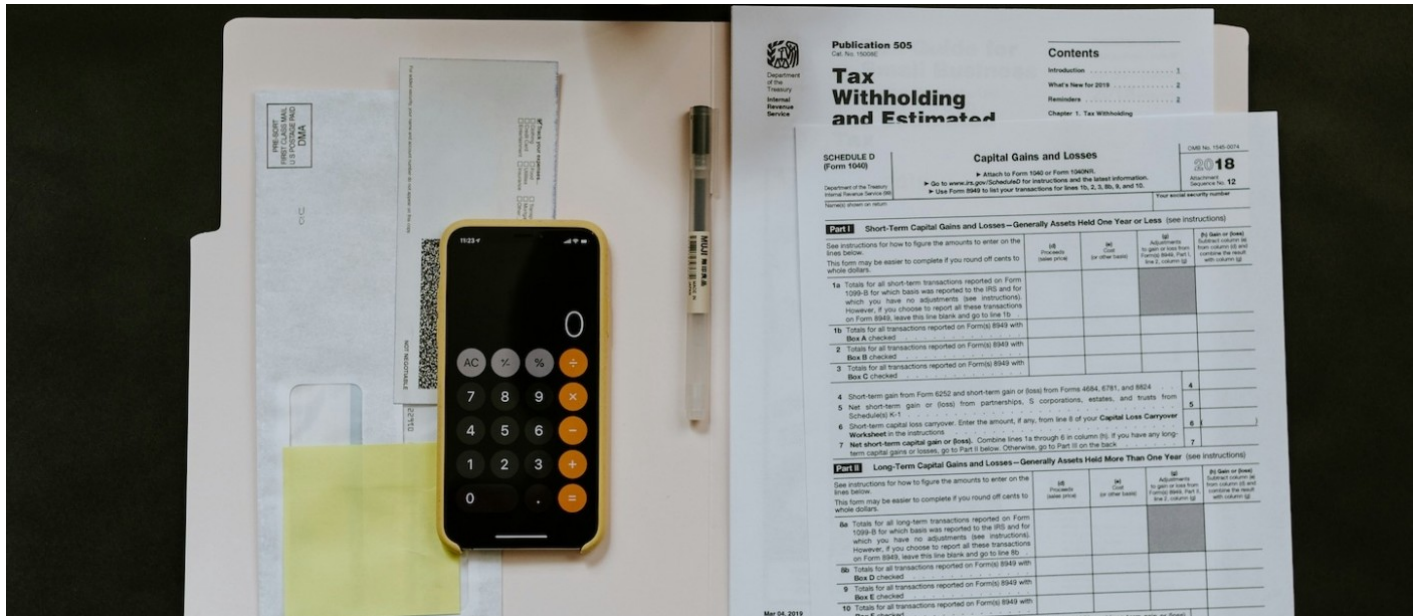


Income Tax Elimination: Harmful to Education and Children's Welfare

Published: Thursday, 16 May 2024 17:08

Written by: Jenna Williams



Years of inadequate public investment have left Utah families struggling with many unmet needs. Our schools require better funding to hire more teachers, counselors, and nurses. We need affordable child care for both our cities and rural areas, along with affordable housing, cleaner air, and much more.

So why are our state leaders so determined to eliminate the primary source of funding for our public education system and other community services that help kids and their families?

Between 2018 to 2024, the state legislature cut the state income tax four times, from 5% to 4.55%. Our leaders act like they are doing us all a favor, reducing our income taxes by a few dozen dollars each year - but these seemingly small cuts have resulted in an annual revenue loss of over \$800M.

Now, Utah's legislative leaders are clear about their intentions to eliminate the income tax entirely.

“Ultimately what they (legislative leaders) want to do and what I want to do is get rid of the income tax completely.” - Governor Spencer Cox, [December 2023](#)

“I’ve said forever, if there is a way, we’d like to try to actually remove the income tax.” -

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Utah Senate President Stuart Adams, [March 2024](#)

"I want to focus on continuing to reduce income tax. Let's also continue to have the discussion on getting rid of the income tax all together." - Utah House Speaker Mike Schultz, [January 2024](#)

However extreme and unrealistic these plans might seem, don't doubt that they will try to do it. This year's [Interim Study Items](#) include studying alternatives to the income tax.

[REDACTED]

[REDACTED] [majority](#) [REDACTED]

Proponents of eliminating the income tax have yet to propose any viable plan to replace the enormous revenue loss that will follow. Only one state, Alaska, has ever eliminated its income tax, and it did so only after striking oil.

An Unfair Tax System

A fair tax system relies on a balanced [approach](#), combining property tax, sales tax, and income tax to ensure stability, fairness, and responsiveness. The income tax is meant to represent the leg of fairness, ensuring that wealthy households pay their [fair share](#).

Eliminating the income tax does not ensure that large corporations and the wealthiest residents pay their fair share in taxes. In fact, the benefits of income tax cuts overwhelmingly benefit the wealthy. Eliminating the income tax would provide a benefit of \$121,514 to the top 1% of Utahns, but only provide \$121 to the lowest-income 20%.

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In recent years, wealthy corporations have enjoyed record profits, but aren't paying their fair share in taxes. Further tax cuts mean they will pay even less. If the wealthy and corporations paid their fair share, we could expand opportunities to everyone, by investing in quality education, cleaner air, child care, and healthcare.

Utah's Values

Utahns believe in taking care of each other no matter what. But the recent years of revenue elimination have prioritized the wealthy and corporations instead. Now, over [60%](#) of Utahns feel the state is on the wrong track, and that quality of life is worse than it was five years ago. Continuing to starve the state budget for critical public services, such as public education and highway safety, will not reverse that sentiment.

State leaders should focus on strengthening the vital services that make sure working people, small businesses, and families have the tools to build a good life. It's time to prioritize the well-being of all Utahns over short-sighted tax cuts for the wealthy.