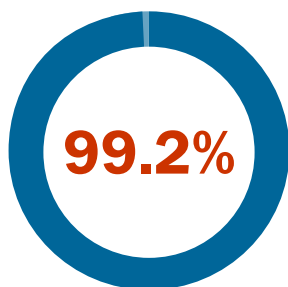




NO DOUBLE TAXATION

CONGRESS SHOULD PRESERVE THE STATE
AND LOCAL TAX DEDUCTION IN TAX REFORM

IN 2015, AT LEAST



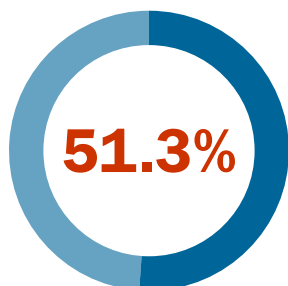
OF ALL ITEMIZERS TOOK
THE STATE AND LOCAL
TAX DEDUCTION

IN 2015, OVER

38 MILLION

INDIVIDUALS AND FAMILIES
MAKING LESS THAN \$200,000
CLAIMED THE DEDUCTION

THOSE FAMILIES ACCOUNTED
FOR OVER HALF -



OF THE TOTAL AMOUNT
OF DOUBLE TAXATION
AVOIDED IN 2015

WHAT IS THE STATE AND LOCAL TAX DEDUCTION?

The state and local tax deduction allows taxpayers to deduct state and local taxes paid from their federally taxable income. Deductibility of these taxes prevents double taxation, since state and local taxes are mandatory payments.

WHY DO WE CARE?

States and local governments deploy revenues from state and local property, income and sales taxes to finance infrastructure projects, local law enforcement, emergency services, education costs and many other services. Deductibility allows state and local governments to maintain authority over local tax structures supporting these services.

WHAT WOULD ELIMINATING DEDUCTIBILITY DO?

Eliminating or capping federal deductibility for state and local property, sales and income taxes would represent double taxation on American taxpayers, a principle strongly rejected throughout the rest of the tax code. Additionally, by eliminating federal deductibility of state and local taxes, Congress would shift the intergovernmental balance of taxation and limit state and local control of our tax systems.

DID YOU KNOW?

The state and local tax deduction has existed for over a century since the institution of the original 1913 federal tax code.

STATE AND LOCAL GOVERNMENTS PROVIDE CRITICAL SERVICES WITH
REVENUE GENERATED THROUGH STATE AND LOCAL TAXES, INCLUDING:



INFRASTRUCTURE



EDUCATION



HEALTH SERVICES



PUBLIC SAFETY AND
EMERGENCY SERVICES

