

EXECUTIVE ORDER 71-05

It has become increasingly evident that we must try once again to reform the tax system of Washington State. There are three major concerns among Washington citizens which must be kept in mind in the development of a new tax policy. First, we must provide better tax protection for property owners; second, we must create greater job security and job opportunity for our labor force and a better economic climate for business; and third, we must design a school financing system which will provide equal educational opportunity for all the children and youth of our state. I also believe that we must accomplish this without increasing the total tax burden but by making the tax burden more equitable among all our citizens -- poor, young and old, well-to-do, disadvantaged and others.

If we are to provide a more equitable tax system, any revision of the present structure must have the unqualified support of the citizens of the state as well as the support of labor, business, agriculture and education. Over the past three months I have met with citizens who are both proponents and opponents of all types of taxes and with leaders of labor, business and agriculture, and have their verbal assurances to join with leaders from education and other tax user groups to work toward the determination of a new bipartisan tax policy for our state.

NOW, THEREFORE, I, Daniel J. Evans, Governor of the State of Washington do hereby ask these citizens and leaders of business, labor, agriculture and education and other tax user groups, with the help of the Parent-Teacher Association of Washington State and the League of Women voters of Washington State, to organize a Citizens' Committee to be known as the "Committee for a New Tax Policy for Washington State." This Committee will be broadly representative of all segments of the economic and social structure of our state, including eight members of the Washington State Legislature already designated by the Legislative Council. The Committee will be bipartisan and separate its deliberations and recommendations from the arena of partisan politics. The Citizens' Committee will organize itself, will meet on a regular basis and will undertake the following:

1. Review this state's present tax system and comparative information from other states.
2. Study the feasibility of establishing a more equitable financial base for education (K-12) by eliminating the special levy at the local level and/or by increasing the state's financial responsibility for K-12 education through other forms of taxation.
3. Study the feasibility of eliminating the B & O and Inventory taxes, and substituting **THEREFORE**, a corporate net income or a value added tax, or some combination of business taxation which would improve the economic condition of our state.
4. Meet with individual citizens and with interested community groups throughout the state to discuss changes in the tax system.
5. Attend public meetings on tax policy.
6. Study alternative ways of structuring an equitable tax system for our state.

7. Determine the consensus of the people as to which of these many alternative tax policies would be most acceptable to them.

8. Recommend to the 1972 session of the Legislature a new tax policy, if the Committee determines that this is a consensus among the people of the state. These recommendations should be in the form of specific tax revision proposals for deliberations by the Legislature. If the Committee is unable to determine a consensus among the people of the state regarding a new tax policy, the Committee will report its findings and conclusions to the Legislature and recommend to the Governor and the Legislature what further steps toward tax revision, if any, should be taken in the state.

Members of the Committee for a New Tax Policy shall serve without compensation, but they shall be reimbursed for actual and necessary expenses of attending meetings. Funds for reimbursement of members and for other necessary expenses of the Committee will be made by an allocation from the appropriation made to me for emergency purposes by the 1971 Legislature.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the State of Washington to be affixed at Olympia this 13th day of October A.D., Nineteen hundred and seventy-one.

Daniel J. Evans
Governor of Washington

BY THE GOVERNOR:

Secretary of State
