
June 6, 2024

COMMITTEE TO REVIEW L WVNC TAX POLICY POSITION

Coming To Member Agreement on Revised
L WVNC Tax Policy Position Statement

Facilitator—

- ***Sara Baysinger, Director, L WVNC Board***

Committee to Review L WVNC Tax Policy Position

The L WVNC believes that a state and local system of taxation should provide for adequate funding of needed services, be broad-based, and incorporate standards of equity, adequacy, collectability, economic effect, transparency, and consistency.

- Greetings & Introductions
- Review Zoom for attendees
- Purpose –
 - Fifth and final session with the goal to reaching member agreement on an updated L WVNC tax policy position statement
- What is concurrence?
- History of how we got here
- Format of session
- Revised L WVNC Tax Policy Position statement

What is Concurrence?

Definition:

- Agreement with a position previously reached by another person or group.
- Can be used to update, expand, or clarify an existing position.

What the LWFNC Tax Policy Review Committee is asking:

- LWFNC members to concur with the recommendation of the committee.

How does it work:

- The concurrence statement must be judged exactly as written.
- It is a “yes” or “no” question.
- Can be achieved through a poll of members.
- Open only to LWFNC members.
- Actionable after LWFNC Board approves

History of How We Got Here

Education of Members:

- Conducted caucus and made presentation at 2023 State League Convention
- Conducted 4 informative sessions over 5 months with expert speakers/panelists from nonprofits, education, and business –
 - Drivers of current state and local tax policies;
 - Pros and cons of state and local taxation with a focus on equity issues;
 - Benefits and drawbacks of lower corporate tax rates; and
 - Insights from three state Leagues on their tax policy positions.
- Posted additional resource materials to LWVNC website

LWVNC Board:

- Gave approval to conduct review
- Periodic updates
- Preliminary review and approval of draft of updated policy statement

Concurrence Session Format

Roles:

- Facilitator – Sara Baysinger
- Timekeeper – Elaine Okal
- Moderator for questions from attendees – Martha Roblee

Format:

- Use raise hands or Chat Room for questions and discussion
- Guidelines for time limits –
 - 2 minutes/question and response
 - 3 minutes/discussion point and response
 - Audible chime or verbal notification when time is up
- All attendees will be given equal consideration and opportunity to contribute
- Facilitator will sum up and poll members at conclusion of session

Q & A About LWVNC Revised Tax Policy Position Statement

1. Why update the position?

A: The committee’s goal was to broaden and strengthen the position to facilitate advocacy efforts. To achieve this, we felt the policy statement should more closely follow LWVUS guidelines to formulate positions – “... keep in mind the importance of wording the position ***in terms broad enough*** to enable the League to initiate, support, and oppose a variety of specific legislation and executive proposals over a period of time.”

2. What provisions of the current tax policy position are revised?

A: In general, revisions keep the spirit of their original intent.

3. What provisions, if any, are dropped?

A: Details about specific types of taxes have been omitted.

4. Are there any new provisions?

A: The statement about collaboration and balance between state and local governments is new.

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Recap of Rules to Conduct Concurrence

Guidelines -

- Questions from members
 - 2 minutes/question and answer
- Discussion
 - 3 minutes/discussion point and response
- Verbal warning or audible chime will signal time is up
- Each member will be given opportunity to contribute to discussion or ask a question
- Facilitator will poll members at conclusion

FISCAL POLICY

TAX POLICY

The League of Women Voters of North Carolina believes that a state and local system of taxation should provide for adequate funding of needed services, be broad-based, and incorporates standards of equity, adequacy, collectability, economic effect, transparency, and consistency.

Equity

- Measure both in terms of ability to pay and that similarly situated people pay the same amount.

Adequacy

- Provide sufficient resources to adequately fund needed services and constitutionally mandated programs.
- Evaluate elasticity in reference to the degree to which an increase in the tax rate causes a change in the tax base (e.g., taxable income or asset value).
- Allow flexibility for responsible fiscal management and equitable distribution of the civic burden.

Collectability

- Be understandable to the taxpayer to encourage compliance.
- Be enforced even-handedly.
- Consider ease and cost of administration.

Economic Effect

- Consider minimal distortion to economic behavior.
- View use of tax laws designed as incentives or disincentives in terms of the common good.

Transparency

- Give the public adequate notice of proposed changes in tax laws.
- Hold open meetings.
- Make public records accessible.

Consistency

- Be consistent with other public policies (e.g., public education, land use).

The above standards are applicable to all types of state and local taxes, including income, sales & use, property, and user fees.

There should be a collaboration and balance between state and local governments to give local governments the necessary flexibility to utilize new revenue sources or to expend tax revenues to better serve their residents.

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Poll Attendees

- Will use voice vote to determine concurrence with revised LWVNC tax policy position statement
 - If you concur, say “AYE!”

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- Tonight's concurrence session was not recorded
- Additional resource documents and prior sessions posted to LWVNC website
- Next Steps –
 - Report back to LWVNC Board
 - Obtain Board agreement that members concurred and approval of revised statement
 - Advocate for/against proposed legislation using updated policy statement
 - Formal ratification at 2025 State Convention

Thank You for Attending!