

## **Faith Reflection on Anti-Poverty Tax Policy**

*Give generously and be ungrudging when you do so, for on this account the Lord your God will bless you in all your work and in all that you undertake. Since there will never cease to be some in need on the earth, I therefore command you, "Open your hand to the poor and needy neighbor in your land." (Deuteronomy 15:10-11)*

All of our sacred writings affirm that God consistently expresses concern for the well-being of all people, especially the poor and vulnerable. We believe that God has created a world of sufficiency for all, providing us daily and abundantly with all the necessities of life. All people deserve the opportunity to live lives of dignity and abundance. However, today there are pressing economic challenges facing many throughout this nation, especially those living in poverty, that require our collective attention, effort, and imagination. We raise our voices with and on behalf of those in need to advocate for an economy that serves everyone.

As people of faith, we often talk about the federal budget being a moral document because where we choose to commit our resources demonstrates our values. Our nation's tax policy functions in much the same way. Paying taxes to enable government to provide for the needs of the common good is an appropriate expression of our stewardship in society. Every year, billions of dollars are generated in tax revenue that are then reinvested in ways that serve the public interest, like providing for our security and building our roads, bridges, and schools.

The tax system also creates financial incentives for individuals to act in ways that are thought to strengthen our social fabric, such as investing and saving for retirement, starting a business, owning a home, getting a college education--even charitable giving. Because of the way tax benefits are structured, however, too often low-wage workers do not earn enough to access those benefits. This results in a system that perpetuates inequality by rewarding behavior that generates financial security for those who already have it, while excluding those who are working hard at low-wage jobs and need help the most. An equitable, moral tax code should reward the efforts of low-income people to work and save at every level.

The undersigned organizations support the following principles to guide the development of tax legislation that will enable families and individuals to provide for their immediate needs, as well as create incentives for saving so that they can build the assets they need to weather future economic shifts, build their human capital and ultimately move out of poverty as well as put our economy on a sustainable, inclusive path.

### **Principles**

It should be an objective of national tax policy to:

- Provide adequate income assistance and related services to working families and individuals

- Strengthen and expand programs that support low-income working parents with children
- Provide incentives to pursue and maintain employment and increase earnings
- Strengthen and expand programs that support workers' efforts to develop their human capital, invest in their financial security, and achieve self-sufficiency
- Be made as simple as practicable so that taxpayers, tax administrators, and legislators can all understand the rules and confidently apply them or comply with them
- Raise adequate revenues to meet societal needs while supporting economic growth and job creation

Bread for the World

Catholic Charities USA

Conference of Major Superiors of Men

The Episcopal Church

Evangelical Lutheran Church in America

Friends Committee on National Legislation

Islamic Relief USA

Jewish Council for Public Affairs

National Council of Churches of Christ, USA

National Council of Jewish Women

National Ministries, American Baptist Churches USA

NETWORK: A National Catholic Social Justice Lobby

Presbyterian Church (U.S.A.) Washington Office

The Salvation Army

Sojourners

Union for Reform Judaism

The United Methodist Church – General Board of Church and Society