



The People's Budget: An outline for a more just and sustainable America

The Congressional Progressive Caucus released the People's Budget, a proposal calling for fairer taxes on polluters and the rich, more investment in Green jobs, and an expansion of established programs that support the poor and elderly.

Budgets are about priorities and this budget prioritizes justice for people and the planet by including:

- **Carbon tax.** One of the most practical policy solutions to the climate crisis is a carbon tax—a fee levied on polluters for every ton of carbon dioxide they emit into the atmosphere. The People's Budget rises to this challenge by setting a carbon tax at an initial \$25 per ton. It would make 25 percent of the revenue available to low-income households as rebates to offset rising energy costs and allocate much of the rest to renewable energy.
- **Renewable energy.** In recent years the U.S. has seen phenomenal growth in renewable energy. Since 2008 wind and solar power have both more than tripled. This bonanza has been supported in part by two key incentives: the Production Tax Credit for wind and the Investment Tax Credit for solar. Unfortunately, these provisions are not permanent parts of our tax code and need to be renewed by Congress whenever they expire. The Production Tax Credit expired at the end of 2014, causing considerable strain to the domestic wind industry, and the Investment Tax Credit is slated to expire in 2016.

To stop the constant political wrangling over these tax breaks and give the renewable energy the certainty it deserves, the People's Budget would make both the Investment Tax Credit and the Production Tax Credit permanent parts of the tax code.

- **Polluter welfare.** Every year Big Oil benefits from billions in taxpayer subsidies. These include a variety of accounting gimmicks and a slew of tax breaks (many of them nearly a century old) that lower the cost of drilling and refining. The People's Budget would change all that. Modeled on Rep. Keith Ellison and Senator Bernie Sander's End Polluter Welfare Act, it would generate \$118 billion in revenue over the next decade by closing some of the most egregious polluter-friendly loopholes on the books.
- **Wall Street tax.** The People's Budget would support smart, sustainable growth with a Wall Street tax on financial transactions. At no more than half-a-penny per transaction, a micro-tax on financial trading of stocks, bonds, derivatives and other financial instruments would curb harmful speculation and raise an annual \$300 billion in new revenue. Eleven European countries are in the process of setting up a regional financial transaction tax.

If budgets are about choices, then these choices couldn't be starker. Unlike the House GOP budget, which calls for steep spending cuts and even bigger giveaways to polluters and the rich, the People's Budget raises new revenues to address the climate crisis, requires the rich to pay their fair share, and supports smart energy policies to end our fossil fuel addiction.



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