



Deep government cuts would devastate our injured economy and hobble critical social services. By using these progressive revenue options, lawmakers could instead raise **\$547.3 – \$969.6 million** to close the deficit without slashing spending.



### Raise income taxes on the richest 2%

**\$12.6–\$100.2 million**

Those in Hawai'i's top 1 percent just got an average federal tax break of \$35,460. This would be a good time for them to share some of those federal tax savings with the state.



### Phase out low tax rates for those at the top

**\$18.5–\$153.9 million**

Hawai'i currently allows its wealthiest households to benefit from the lower tax brackets designed to benefit middle and lower-income residents.



### Tax investments the same way regular income is taxed

**\$80.2 million**

Hawai'i is one of only nine states that allows profits from the sale of stocks, bonds, investment real estate, and other "capital gains" to be taxed at a lower rate than ordinary income.



### Increase taxes on wealthy inheritances

**\$6.6–\$18.3 million**

The richest can transfer \$11 million from the deceased to their heirs, free from federal taxes. Among states that have estate taxes, Hawai'i has the fourth-highest exemption.



### Raise corporate taxes

**\$2.9–\$103 million**

Companies recently got a 14-percentage-point federal tax cut. Hawai'i is ranked 34th in per capita corporate tax collections. We currently have three corporate tax brackets, while more than 30 other states have just one.



### Make global corporations pay taxes in Hawai'i

**\$38 million**

Large multinational corporations can shift earnings to subsidiaries in offshore tax havens, giving them an unfair advantage over small local competitors.



### Make REITs pay their fair share of taxes

**\$30–60 million**

Real Estate Investment Trusts (REITs), which earn about \$1 billion in annual profits, have a special tax status that exempts them from paying taxes on the vast majority of their income.



### Increase taxes on the sales of mansions

**\$17–\$71.5 million**

Real estate has been booming during the pandemic. But our current real estate conveyance tax rates are only 0.50–1.25% on multi-million dollar mansions.



### Tax sugary drinks

**\$65.8 million**

Sugary drinks are a major factor in Hawai'i's unprecedented increases in obesity and chronic health conditions. A 2¢/oz fee would raise revenues for public health programs while reducing consumption and disease risks.



### Tax vaping and increase other tobacco taxes

**\$21.1–\$24.1 million**

Vaping and e-cigarette use among Hawai'i's youth has erased decades of tobacco prevention and control progress. There is currently no state tobacco tax attached to e-cigarette products.



### Suspend some GET exemptions

**\$254.6 million**

In 2011, to address the economic crisis of the last recession, the state legislature suspended 31 General Excise Tax (GET) exemptions for FY2012 and FY2013.