What YOU can do to help make Minnesota work for everyone
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Presented by: MCN and AFP

Developed by CompassPoint and Building Movement Project
We believe:

• The values implied in the phrase “the common good” are fundamental to a healthy democracy.

• Taxes should be a key source of funding for the common good.

• The nonprofit sector is part of the common good, and thus must be a leader in promoting meaningful conversation and action.
Tax-supported structures we need and use
An easy explanation of the common good:

“We all do better when we all do better.”

—Senator Paul Wellstone, MN (1944-2002)
Our tax policies are leaving the common good behind
How is the common good paid for?

By a combination of taxes, private donations, volunteer time, and human behavior that recognizes our individual role in a larger community.

The percentage that each contributes varies greatly.
Example: Trash in a Public Park

- The city owns and maintains the park using tax dollars.
- People put trash in the can.
- But not all trash gets in the can, so sometimes individuals pick it up...
- ...or nonprofits schedule “clean up days” to clean the park thoroughly once a year...
- And the city hauls the trash away.

A BALANCED SYSTEM

photo credit Wayan Vota, OnTask via Flickr
What happens when the system is out of balance?

- The city owns the park, but because of tax cuts trash is not picked up.
- Clean-up days are cancelled because of rat sightings.
- Because of cuts in services to homeless people, some sleep at the edge of the park.
- People no longer use the park and soon it is...”CLOSED”

Photo credit: pwever
PRIVATIZATION OF THE FIRE DEPT.

PUT YOUR CREDIT CARD THROUGH THE FIRE HYDRANT SO WE CAN GET WATER!
“Power concedes nothing without a demand.”
—Frederick Douglass

What Can Nonprofits Do?
The Nonprofit Sector nationally:

- 1.6 million nonprofit organizations generate: $1.4 trillion per year in income from:
  - Government: 30%
  - Earned Income: 50%
  - Private Sector: 20%

The private sector includes gifts from living individuals, gifts from bequests, and gifts and grants from foundations and corporations.

Figures as of 2015. Source: National Center for Charitable Statistics and Foundation Center
Minnesota’s Nonprofit Sector

- 31,528 nonprofits registered with IRS
- Employs 14% of the workforce (301,000 people)
- Contributes approximately $66 billion in annual revenues
- Minnesotans contribute $3.4 billion/year (2.7% of income)
- 3rd most charitable state in giving
- 1st in volunteering

*Nonprofits are a big economic driver!*

Sources: Independent Sector, World Giving Index, Forbes
2. Make the Common Good a Common Conversation

“Every single one of us has something to say to the others...” Eduardo Galeano, noted Uruguayan author
What could happen if we asked...

- Is a tax on soda a good idea?
- Does voting really make a difference?
- Would you pay slightly more in taxes if it kept food banks & health clinics open?
- Should dog parks be paid for with tax dollars?
How do you think public structures should be paid for?

- Entirely from taxes
- A small fee
- A larger fee
- Let the consumer pay
How should these be paid for?

Art in public places?
Playgrounds?
Dog Parks?

What are the values that inform your discussion?
3. Understand the Basics
Some Definitions

• “Progressive” and “regressive,” when applied to taxes, are economic terms, not value judgments.

• **Progressive** means that the tax rate increases as a person’s ability to pay increases.

• **Regressive** means that one tax rate applies to all (flat tax); this puts a greater burden on people who have less ability to pay.
Types of Taxes – Progressive or Regressive?

Sales tax:
- Cigarettes
- Clothes
- Gas
- Alcohol

What are the common good issues in deciding whether a sales tax on a commodity is a good idea or not?
Principles of Fair and Just Tax Policy

1. Raises adequate revenues to pay for the public needs of society
2. Is progressive
3. Offers incentives for behavior that benefits the common good
4. Remedies inequality as much as possible
5. Is efficient and simple to administer

(From “Making Sense of the Tax Debate” by Amata Miller)
4. What Can Our Nonprofit Do?

Level 1: Have a staff-wide conversation or brown bag lunch meeting about both how your nonprofit affects the common good and how it depends on it.

Level 2: Invite colleagues from other nonprofits to learn more and see if there is joint action you all can take.

Level 3: Reach out to an organization in another nonprofit field (for example, if you work in the arts reach out to an environmental group or a health organization), and discuss how you can support each other’s advocacy efforts.
Keep in Mind:

• You don’t have to know all the answers or have all the facts. (That’s what search engines are for.)

• Your health and well-being is part of the common good and you need to be involved in maintaining it, or when needed, restoring it or expanding it.

• You have the right to have opinions and to change your opinions.

• Your thoughts matter.
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