

MEDIA ADVISORY

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New Report: Tennessee Hikes Residents' Federal Tax Bills by Millions a Year

WHAT: Tennessee and other states that rely heavily on sales taxes in lieu of levying a personal income tax are imposing billions of dollars in extra federal income taxes annually on their residents, according to a new report from the Institute on Taxation and Economic Policy and United for a Fair Economy's Tax Fairness Organizing Collaborative.

The new report, "Leaving Money on the Table," explains the reason behind the larger tax bills and estimates the aggregate federal tax savings for state taxpayers in Tennessee and six other states – Florida, Nevada, South Dakota, Texas, Washington and Wyoming – that would result from a revenue-neutral "swap" from sales taxes to income taxes.

The report also shows that such a tax swap would substantially reduce state taxes on low- and middle-income families, resulting in significant improvements in the tax fairness climate of each state.

WHEN: Full report to be released at 10:00am EDT, Monday, April 12, 2010

WHO: Available for interviews on April 12: Matthew Gardner, Executive Director of the Institute on Taxation and Economic Policy; and Karen Kraut, Director of the Tax Fairness Organizing Collaborative.

The Institute on Taxation and Economic Policy is a non-profit, non-partisan research and education organization that works on government taxation and spending policy issues.

United for a Fair Economy's Tax Fairness Organizing Collaborative is a network of statewide grassroots organizations in 24 states educating and organizing for progressive state tax policies.