



INDIANA COMMUNITY ACTION POVERTY INSTITUTE

Research and Public Policy

Testimony before the State and Local Tax Code Task Force

1/10/2024

Greetings Chairman Holdman & Members of the Task Force,

I deeply appreciate the opportunity for public testimony today. My name is Erin Macey, and I am director of the Indiana Community Action Poverty Institute. Our research and policy advocacy focuses on promoting the financial well-being of all Hoosiers.

Any Hoosier who has driven on a newly-paved road, called for emergency services, or received a great education at their local school knows – at least intuitively – the value of paying taxes. You can't get something for nothing, and we all need to pitch in to afford the things we need for thriving families & communities.

The central question becomes: who pays. And according to research released yesterday, Indiana's low- and middle-income families are paying a greater percentage of their income in taxes than wealthier families in our state. Hoosiers, I think, sense this unfairness – this question was polled on a past Ball State Old National Bank [Hoosier survey](#) – the amount they paid in taxes was not the top concern raised by Hoosiers. Rather, the top concerns were the share paid by some corporations (with 56% were bothered "a lot"), and the share paid by some wealthy people (54% bothered 'a lot'). This

tracks with more recent [national data from Pew Research Center](#) showing that about six-in-ten adults are bothered a lot by the fact that some corporations and wealthy people don't pay their fair share.

It's difficult to have a conversation about tax policy without considering what we intend to use our revenue for. A budget is an expression of our values. Approached thoughtfully, we can generate revenue without putting a disproportionate share of the burden on low- and moderate-income Hoosiers – the folks who tell us daily that they struggle with rising food costs and rents – while building the strong infrastructure we need to create opportunity and quality of life for all Hoosiers. We look forward to working with you over the coming year to do so.