



Talking Points

Proposition 24, the Tax Fairness Act, ends nearly \$2 billion in special tax loopholes for big corporations that don't require the creation or protection of one single job in California.

- During the recent state budget disaster, Sacramento politicians and big corporations cut a deal behind closed doors to raise your taxes, and give themselves huge tax breaks.
- This deal with legislators included \$18 billion in tax hikes for California taxpayers and \$1.7 billion in tax breaks a year for the state's biggest and wealthiest corporations.
- These same corporations made no guarantees that a single job would be created or saved to get this handout. The corporations would get these tax breaks, but could still send jobs overseas or to other states.
- **Prop. 24** stops a small number of big corporations from using tax credits they didn't earn to reduce their taxes, shifting current losses to past tax years to get additional tax refunds, and choosing the way they calculate their taxes in order to reduce what they pay.

Proposition 24 ensures that a few big corporations pay their fair share of state taxes at a time when the state is making drastic budget cuts to public schools, health care and public safety.

- These unfair corporate tax loopholes put an even bigger burden on the average individual taxpayer. When corporations pay less, you pay more.
- **Prop. 24** will help keep the Legislature from making even deeper cuts in public education, health care and public safety. During last year's budget disaster, the Legislature made \$30 billion in cuts that resulted in laying off 16,000 teachers, raising college tuition by more than 30 percent, layoffs, and putting 6,500 prisoners back on the street, but gave corporations \$1.7 billion a year in tax breaks.

Proposition 24 doesn't hurt California's small businesses, it ensures tax fairness so big corporations have to play by the same rules as the rest of us.

- **Prop. 24** will end tax loopholes that unfairly benefit less than 2 percent of California's businesses that are wealthy, multi-state and multi-national corporations.
- 98 percent of California's businesses, especially small businesses, would get virtually no benefit from the tax breaks.
- The big corporations that are paying to defeat **Prop. 24** and keep these loopholes have paid their CEOs over \$8.5 billion in the last few years, and made over \$65 billion in profits last year, while at the same time laying off over 100,000 workers.