PACIFICA LAW GROUP

T 206.245.1700
401 Union Street, Suite 1600
Seattle, WA 98101-2668
pacificalawgroup.com

Paul Lawrence
paul.lawrence@pacificalawgroup.com

Kai Smith
kai.smith@pacificalawgroup.com

March 20, 2026

VIA EMAIL

Peter Gonick
Washington Attorney General's Office
PO Box 40111
Olympia, WA 98504-0100
peter.gonick@atg.wa.gov

Re: Ballot Titles and Summaries for Initiatives That Repeal the Millionaire's Tax

Dear Mr. Gonick:

We write to provide input on the ballot titles and ballot measure summaries (together, "titles") for initiatives that would repeal the recently passed income tax on high income earners ("Millionaire's Tax"). We appreciate your consideration of this letter.

Washington is one of just nine states that do not tax income, and economists have consistently ranked the state's tax system, which relies on sales and business taxes, as among the most regressive in the country.[1]

In response, last week the Washington State Legislature passed Senate Bill 6346, which establishes a 9.9% tax on annual individual income above $1,000,000—creating Washington's first tax on personal income and marking a significant shift in the State's tax structure. SB 6346 §§ 201, 309–14. Governor Bob Ferguson has confirmed that he will sign the bill.[2] The tax is projected to affect approximately 20,000 households.

The bill is designed to rebalance the State's tax system by reducing reliance on consumption-based taxes and directing relief to consumers, low- and middle-income households,

---

[1] *See* ITEP, *Washington: Who Pays? 7th Edition*, https://itep.org/washington-who-pays-7th-edition/ (last visited Mar. 20, 2026) (ranking Washington second most regressive state and local tax system in the United States); Mitchell Roland, *'Truly historic': The Washington House approved an income tax on millionaires after a marathon debate*, The Spokesman-Review, Mar. 10, 2026 https://www.spokesman.com/stories/2026/mar/10/debate-stretches-into-17th-hour-as-lawmakers-in-st/.

[2] Washington Governor Bob Ferguson, *Governor Ferguson statement on House passage of Millionaires' Tax*, Mar. 10, 2026, https://governor.wa.gov/news/2026/governor-ferguson-statement-house-passage-millionaires-tax.

and small businesses. *Id*. § 1(11). A majority of the revenue generated by the new tax will be deposited into the state general fund to support public investments, including K–12 education, health care, and higher education. *Id*. § 202.

The legislation also directs significant revenue toward targeted tax reductions and credits. In particular, the bill exempts certain essential household goods from the state sales tax, including hygiene products, over-the-counter medications, and diapers, *id*. § 903–08; expands the Working Families Tax Credit—a tax credit that provides an annual cash boost to households who most need it—by removing certain eligibility restrictions on the program and increasing the eligible income threshold, *id*. § 901; and establishes a small business tax credit that ensures that businesses with less than $250,000 in gross receipts are exempt from the state Business & Occupation ("B&O") tax, *id*. §§ 909–11.

These tax reductions and credits are expressly linked to the tax on annual income above $1,000,000 and operate together as part of a broader reform of the State's tax system. *Id.* § 1(11) ("[T]he tax imposed under this act operate[s] together with certain tax reductions and tax credits enacted by this act as an integrated reform of the state tax code."). Consistent with that design, repeal or invalidation of the income tax would automatically reinstate the sales tax on items made exempt by SB 6346 and repeal Working Families Tax Credits and small business tax credits enacted by the bill. *Id.* § 1202 (null and void provision).

In anticipation of the passage of SB 6346, numerous initiatives have been filed with the Washington Secretary of State that would repeal the Millionaire's Tax expressly or by operation of broader prohibitions on income taxes. For example, IP26-743 purports to prohibit the imposition or collection of any new tax on, or increase in tax on, an individual's personal income—but applies only to taxes enacted after January 1, 2026. IP26-952 provides that taxes "on an individual's personal income are prohibited" and would repeal substantial portions of the Millionaire's Tax. Over a dozen similar initiatives that would specifically repeal the Millionaire's Tax or seek to impliedly repeal it have been filed since January 2026. More are still being filed.

As your office continues to prepare titles for these measures, we respectfully offer the following two considerations to ensure that the titles accurately and impartially describe the measures' essential contents.

First, the title for any measure that repeals the Millionaire's Tax—whether expressly or by implication—should explain that the measure would repeal the tax on annual individual income above $1,000,000. That phrasing is accurate, neutral, and informatively conveys to voters the measure's principal and immediate effect. Even where an initiative is framed more broadly as prohibiting income taxes generally, the ballot title should make clear that the measure would repeal the only currently enacted tax on incomes—i.e., the tax on annual individual income above $1,000,000. In all instances, the title should identify the tax by its operative dollar threshold to ensure that voters understand both the scope of the tax and the population to which it applies. Without that information, voters lack clear notice of the measure's primary and direct effect.

Second, the title should reflect that passage of any such measure would reinstate certain sales taxes and repeal certain tax reductions and credits, including those applicable to the Working Families Tax Credit program and small businesses.

As explained above, SB 6346 pairs the tax on incomes above $1,000,000 with specified tax reductions and credits, including sales tax exemptions for essential goods and expanded tax credits for working families and small businesses. SB 6346 §§ 1, 901, 903–11. SB 6346 links the tax on incomes above $1,000,000 to these tax credits and exemptions such that repeal or invalidation of the tax would result in the reinstatement of sales taxes and the repeal of tax credits. *Id*. §§ 1(11), 1202. These are not ancillary features of the legislation; they are integral components of the same statutory scheme.

At the same time, the fiscal analysis of the final bill may identify additional categories of fiscal impact that warrant inclusion depending on their relative magnitude. As a result, your office may wish to consider whether other major programmatic or fiscal effects reflected in the final fiscal assessment should also be included in the title. We would be happy to provide additional input as those materials are finalized.

In sum, the title for any measure repealing the Millionaire's Tax should identify, in concise and parallel terms, the repeal of the tax on incomes above $1,000,000, the reinstatement of sales taxes, and the repeal of tax credits, and, where appropriate, other significant impacts, in a concise, neutral, and sufficiently specific manner.

Thank you for the opportunity to provide this input. As more measures are filed that would repeal SB 6346, we may provide additional input, including specific suggested ballot title and summary language. Should your office have any questions, please do not hesitate to contact us.

Sincerely,

PACIFICA LAW GROUP LLP

Paul Lawrence

Kai A. Smith

From: "Postman, David (ATG)" <david.postman@atg.wa.gov>
To: "Purcell, Noah Guzzo (ATG)" <noah.purcell@atg.wa.gov>
Subject: FW: legal + research connect on latest Millionaires Tax poll
Date: Thu, 09 Apr 2026 19:45:26 -0000
Importance: Normal
Attachments: 2026.04.09_Letter_to_AGO_re_Burke_Initiatives.pdf; 2026.04.06_-_Ltr_re_IL27-079.pdf

---

FYI, in case you haven't seen these.

From: Adam Glickman <Adam.Glickman@seiu775.org>
Sent: Thursday, April 9, 2026 11:47 AM
To: Postman, David (ATG) <david.postman@atg.wa.gov>
Subject: FW: legal + research connect on latest Millionaires Tax poll

[EXTERNAL]

Hey David – as I had noted, attached are the specific letters we have sent in with specific thoughts and suggestions around the recent initiatives related to SB 6346.

Adam

Note apologies for typos or wrong capitalizations. I'm using the imperfect transcription feature temporarily. Note I sometimes send email in evenings or on weekends – i don't expect others to respond immediately (I will separately note if there is specific urgency to a response)

Adam Glickman
(he/him/his)
Secretary-Treasurer
SEIU 775
206-295-9613

PACIFICA
LAW GROUP

T 206.245.1700
401 Union Street, Suite 1600
Seattle, WA 98101-2668
pacificalawgroup.com

Paul J. Lawrence
paul.lawrence@pacificalawgroup.com

Kai A. Smith
kai.smith@pacificalawgroup.com

April 9, 2026

VIA EMAIL

Peter Gonick
Washington Attorney General's Office
PO Box 40111
Olympia, WA 98504-0100
peter.gonick@atg.wa.gov

Re: IL27-396 and IL27-939—Ballot Titles and Summaries

Dear Peter:

Thank you for the opportunity to provide input on the ballot titles and ballot measure summaries (together, "titles") for Initiative Measures IL27-396 and IL27-939, both of which would eliminate, through repeal or amendment, the recently passed income tax on high income earners ("Millionaire's Tax"), as well as prohibit income taxes more generally. We appreciate your consideration of this letter.

Based on the contents of SB 6346, we ask your office to consider the following points when drafting the titles for IL27-396 and IL27-939:

First, because these measures make multiple changes to state law, the statements of subject should refer generally to the measures as concerning "taxes." Although a more descriptive statement is generally preferable, here the measures both repeal a specific tax and broadly prohibit income taxes, and those combined effects likely cannot be fully and accurately conveyed within the 10-word limit. A general statement of subject, with additional details provided in the concise description, is more appropriate in these circumstances.

Second, the concise descriptions should lead with the measures' effect on the existing tax on annual individual income above $1,000,000 and then note the broader prohibition on income taxes. IL27-396 would eliminate the tax by reducing the rate to zero, and IL27-939 would repeal the tax. In both cases, the description should identify the tax by its operative dollar threshold to ensure that voters understand both the scope of the tax and the population to which it applies. The description should then note that the measure would prohibit income taxes more generally.

Third, the concise description for IL27-939 should reflect that the passage of the measure would reinstate certain sales taxes and repeal certain tax reductions and credits. Most significantly, IL27-939 would reinstate sales tax on household products and services, and repeal specific tax credits and exemptions. The title should inform voters that passage of the measure also repeals these provisions.

I. Ballot Titles and Ballot Measure Summaries

For any initiative measure, the "ballot title"—which appears on each voter's ballot and on petitions to qualify the measure for the ballot, RCW 29A.72.050, .120—consists of two components. *First*, a "statement of subject" of the measure, not to exceed ten words, that is "sufficiently broad to reflect the subject of the measure [and] sufficiently precise to give notice of the measure's subject matter." RCW 29A.72.050(1). *Second*, a "concise description" of the measure, not to exceed 30 words, that is a "true and impartial description of the measure's essential contents" and "not, to the extent reasonably possible, . . . prejudic[ial] either for or against the measure." *Id*.

Ballot titles are critical tools to voters: "often voters will not reach the text of a measure or the explanatory statement, but may instead cast their votes based upon the ballot title" alone. *Amalgamated Transit Union Local 587 v. State*, 142 Wn.2d 183, 217, 11 P.3d 762 (2000). Thus, a ballot title must "give[] notice which would lead to an inquiry into the body of the act or indicate[] the scope and purpose of the law." *Id*.

In addition, a "summary of the measure," not to exceed 75 words, must be included along with the ballot title on all petitions for signature. RCW 29A.72.060. The summary does not appear on voters' ballots. *Id*.

II. SB 6346

SB 6346 establishes a 9.9% tax on annual individual income above $1,000,000 and establishes various tax reductions and credits. SB 6346 §§ 201, 309–14, 903–11, 1001, 1003. The bill's provisions are further explained in our prior letter addressing IL27-079, attached as Exhibit A.

III. IL27-396 and IL27-939

IL27-396: IL27-396 eliminates SB 6346's tax on annual incomes over $1,000,000 and prohibits income taxes generally. Specifically, IL27-396 amends § 201 of SB 6346 by reducing the 9.9% tax on annual incomes over $1,000,000 to 0.0%. It thus effectively eliminates the tax created by SB 6346.

IL27-396 also prohibits income taxes more generally by amending RCW 43.135.034 and RCW 36.65.030. The amended version of RCW 43.135.034 would read: "The state or any local government may not impose any tax on intangible property listed in RCW 84.36.070 as that statute exists on January 1, 1993 and no local government may impose or collect any tax on any individual's or household's personal income." The amended version of RCW 36.65.030 would read: "No local government, including, but not limited to, any county, city, or city-county, may impose or collect any tax on any individual's or household's personal income." IL27-396 also includes a definition of income for Chapters 43 and 36, defining the term to mean: "property and means and includes everything, whether tangible or intangible, subject to ownership."

IL27-939: IL27-939 repeals SB 6346 in its entirety—thus repealing the Millionaire's Tax and the other tax reductions and credits—and prohibits income taxes generally in the same manner as IL27-396. IL27-939 also provides the same definition of income included in IL27-396.

IV. The Ballot Titles Should Accurately, Informatively, and Impartially Describe the Subjects and Essential Contents of the Measures

We offer the following considerations to ensure the ballot titles for IL27-396 and IL27-939 comply with RCW 29A.72.050 and are accurate, complete, and informative.

A. The statements of subject should refer generally to taxes.

The statements of subject for IL27-396 and IL27-939 should indicate that these measures concern "taxes." As noted, both measures involve two significant changes to state law governing taxes: both measures repeal or eliminate the Millionaire's Tax, and both measures prohibit income taxes more generally. Given these multiple changes affecting both an existing tax and government taxing authority going forward, referring generally to the measures as concerning "taxes" is accurate and neutrally conveys the measures' subject matter to voters. That statement of subject also comports with the statement of subject drafted by your office for Initiative Measure 2111, which similarly sought to prohibit income taxes.

Although a more detailed statement of subject is generally preferable, it is likely not feasible here. Each measure makes multiple substantive changes to state law that likely cannot be accurately and completely conveyed in a more detailed statement that complies with the 10-word limit in RCW 29A.72.050(1).

In this regard, IL27-396 and IL27-939 are distinguishable from other initiatives—such as IL27-079, addressed in our prior letter—which involved a repeal of SB 6346 and nothing else. In those circumstances, a more informative statement of subject would make clear that the measure would repeal a specific tax, and identify the tax to be repealed by its operative dollar threshold.[1] Here, however, specifying both the effect on the Millionaire's Tax and the broader prohibition on income taxes cannot be accurately or fully conveyed within ten words. Accordingly, a short, general statement capable of capturing all changes—i.e., "taxes"—is appropriate.

[1] Ex. A at 3-4.

B. The concise descriptions should convey the effects of the measures on the Millionaire's Tax and explain that the measures prohibit income taxes.

As noted above, the measures either expressly repeal (IL27-939) or eliminate by reducing the tax rate to zero (IL27-396) the Millionaire's Tax enacted in SB 6346. They also prohibit income taxes more generally. Both elements should be conveyed in the concise descriptions, but the repeal or elimination of the Millionaire's Tax should be presented first because it is the measures' principal and immediate effect.

That ordering is necessary to provide voters with clear notice of what the measure actually does. Although a measure may be framed more broadly as prohibiting income taxes, that prohibition operates prospectively, while the repeal or elimination of the tax is the measure's most concrete and immediate effect. A description that first identifies the elimination of the existing tax, followed by the broader prohibition, more effectively situates the measure's concrete effects before its forward-looking constraints and provides clearer notice of its operation.

Consider IL27-939 first. The immediate effect of the measure is to repeal the tax on annual individual income above $1,000,000. Accordingly, as explained in our prior letter, the concise description should directly identify the repeal of the tax and explain its mechanics.[2]

The same goes for IL27-396. Once again, the immediate effect of the measure is to eliminate the tax on annual individual income above $1,000,000 by reducing the tax rate to zero. Although it would be technically accurate to describe the measure as "reducing to zero" the tax rate applied to incomes over $1,000,000, that formulation would not adequately convey the practical effect of the measure: the elimination of the tax. Thus, the concise description should reflect what the measure does (eliminate the Millionaire's Tax) and explain how the measure accomplishes that effect (by reducing the tax rate to zero).

Finally, both measures also prohibit income taxes prospectively. To the extent feasible within the word limit, that effect should be conveyed by stating that the measures would "prohibit state and local governments from imposing or collecting personal income taxes." That language accurately and neutrally reflects the contents of the measures while leaving sufficient words to describe the other aspects of the measures.

It also tracks the language drafted by your office for Initiative Measure 2111, which likewise prohibited income taxes generally: "This measure would prohibit the state, counties, cities, and other local jurisdictions from imposing or collecting income taxes . . . ." Where the word limit does not permit that full phrase, as in IL27-939, the concise description should state that the measure would "prohibit state and local governments from taxing personal income."

---

[2] Ex. A at 4.

C. The concise description for IL27-939 should convey that the measure would reinstate certain sales taxes and repeal certain tax credits and exemptions.

The concise description of IL27-939 should also inform voters that the measure's repeal of the SB 6346 would repeal not only the Millionaire's Tax, but also certain statutorily linked tax reductions and credits enacted in the same law. As we explained in our prior letter, SB 6346 establishes an integrated statutory scheme in which the tax on income over $1,000,000 is expressly linked to specified tax reductions and credits, including sales tax exemptions on essential services and goods, expanded tax credits for working families and businesses, and B&O surcharge exemptions. SB 6346 §§ 1, 901, 903–11, 1104.[3]

RCW 29A.72.050(2) requires that the concise description describe the measure's "essential contents." Consistent with that requirement, the concise description should identify the principal categories of tax provisions resulting from IL27-939 with sufficient specificity to inform voters what taxes are reinstated and what tax reductions are eliminated. Here, the principal categories are: (1) sales tax exemptions, the largest category of fiscal impact; (2) business tax exemptions and credits; and (3) the Working Families Tax Credits.

As our prior letter noted with respect to IL27-079, where space permits, the concise description should specify all three of those categories. Because the description for IL27-939 must also explain the prohibition on income taxes, however, it likely is not possible to identify each principally impacted tax benefit with specificity within the 30-word limit. As a result, the concise description should generally note the reinstatement of sales taxes and include a combined reference to the remaining exemptions and credits—e.g., by noting that the measure would "reinstate certain sales taxes, and repeal certain tax credits and exemptions."

V. Proposed Ballot Titles

With these considerations in mind, we propose the following ballot titles:

Ballot Title (IL27-396)

Statement of Subject: Initiative Measure No. IL27-396 concerns taxes.

Concise description: This measure would eliminate a 9.9% tax on annual individual income above $1,000,000 by reducing the rate to zero and prohibit state and local governments from imposing or collecting taxes on personal income.

Ballot Title (IL27-939)

Statement of Subject: Initiative Measure No. IL27-939 concerns taxes.

[3] Ex. A at 4-5.

Concise description: This measure would repeal a 9.9% tax on annual individual income above $1,000,000, prohibit state and local governments from taxing personal income, reinstate certain sales taxes, and repeal certain tax credits and exemptions.

Corresponding language should be used in the ballot measure summaries.

Thank you for the opportunity to provide this input. Should your office have any questions, please do not hesitate to contact us.

Sincerely,

PACIFICA LAW GROUP LLP

Paul J. Lawrence

Kai A. Smith