

IMMIGRANTS ARE ESTIMATED TO PAY MORE THAN



#TaxDay2020

Source: americasvoice.org

Investments for Healthy Communities- Tax Day 2020 *Re-thinking Tax Justice in a pandemic year*

This year, July 15 is #TaxDay2020. In addition to being a filing deadline for tax payments, it is a day when immigrants, refugees, asylum-seekers and undocumented immigrants with temporary status join other taxpayers in the United States in demanding fair tax laws and responsible investment of their contributions. Now more than ever, with the drastic impact the outbreak of COVID-19 has had on the world, followed by demands to dismantle institutional racism, it is critical that we analyze and understand how the revenue from our taxes is allocated and whether these funds are utilized for our collective well-being or instead weaponized against Black people, immigrants and people of color.

Since March, a number of non-essential businesses closed down in accordance with recommended safety measures from the Center for Disease Control (CDC), rapidly bringing the unemployment rate from 6.2 million - among the lowest on record since post-World War II - to 20.5 million in May, according to the Pew Research Center. New reports suggest that some workers may have returned to work as economies re-opened, but spikes of COVID cases may make these gains ephemeral.

Other front-line workers, defined as “essential” by federal and state governments, continue working under risky conditions. Healthcare professionals, first responders, care-givers for the elderly, and all those tasked with keeping the cities clean and safe are fighting this virus and protecting all of our well-being, often at the expense of their own health and safety and that of their loved ones.

People unauthorized to legally work in the United States often hold the essential jobs keeping cities afloat, such as farmworkers, janitors, housekeepers and cleaning crews. According to the Center for Economic Policy and Research, the demographic profile of front-line workers shows that 41.2% are workers of color. People of Latin American descent comprise 16.3% of frontline workers and one in six is an immigrant. The pandemic did not create this situation, but it has exposed the systemic reality of economic injustice, including the undervaluing of the care economy. While the economic consequences of COVID-19 are world-wide, already marginalized social groups have felt it most. In the U.S., only 16.2% of Hispanics are able to work from home, the lowest percentage among racial and ethnic groups, according to the Economic Policy Institute. Unpaid work, particularly care work, which is still mainly performed by women, has increased dramatically with the closure of schools and families unable to leave their homes.

The coronavirus has also shown that these structural inequities are deadly. After 3 months of working on the frontlines, the rates of infection among Latinx communities are disproportionately high. While Latinx people represent only 18% of the total population, they make up 34% of diagnosed COVID-19 cases nationwide. Despite literally putting their lives at risk in the name of the

economy, front-line workers are not being compensated for their sacrifice. Health insurance often does not cover the full medical costs for sick workers with COVID-19.

Another concern amidst the state of emergency is the number of uninsured individuals in the United States. Data from the U.S. Census Bureau indicates that more than 27.5 million individuals are uninsured, and noncitizens are significantly more likely (four in ten) to lack health insurance. Given that half of Americans receive health coverage through their employer, as unemployment numbers increased, so did the total number of those uninsured.

Immigrants pay taxes

Individual taxpayers are the federal government's single largest revenue source, accounting for 40.72 percent of the total tax revenue in 2018. DACA recipients alone pay close to \$4 billion in taxes per year, while TPS holders pay more than \$1.5 billion per year. Overall, immigrants are estimated to pay more than 400 billion in taxes each year. Undocumented workers, who are excluded from nearly all the COVID response actions, are estimated to pay around \$27 billion annually in taxes, including significant contributions to many state and local governments.

What is Tax Justice?

The sudden loss of jobs, lack of proper access to medical care and other essential needs, such as food and shelter, have revealed the inadequacies of America's safety net and have raised questions about how tax dollars can be put to better use. Despite such large contributions from individual taxpayer income, the federal government has historically prioritized militarization, policing, imprisonment, immigration detention and deportation of asylum seekers; above the things that most taxpayers say are their highest priorities: education, health care, environment and housing programs.

Two months after the world went on lockdown as a response to the COVID-19 pandemic, a virus just as deadly received national attention: police brutality fueled by institutional racism. The killing of George Floyd at the hands of four police officers in Minneapolis, Minnesota, on May 25, was one of too many incidents in which security forces exercise their power or use physical deadly force against Black and Brown people. While activists for social justice have long advocated disinvesting in the militarization of communities, whether it be through police presence or immigration enforcement, and investing in social safety net programs such as education, health care, housing, mental health and more, are now receiving a wave of support. We join the rallying cry of these activists to defund law enforcement and reinvest those funds into vital programs aimed at fostering community well-being.

A recent analysis by Bloomberg Businessweek showed that in the past four decades, the cost of policing in the US has tripled and is now \$115 billion, despite the consistent decline of crime over the years. While the economic crisis fueled by COVID-19 has made local state and city governments cut back on education, youth programs, libraries, housing services and more, the police budgets have either grown or remained the same. The protests for Black lives have created a pivotal moment where lawmakers are forced to address calls to defund the systems that militarize communities, predominantly low income communities of color, where a Black person is twice as likely to be arrested than their white neighbor.

Misplaced priorities in Trump Administration 2021 Budget

Prior to the pandemic and the protests for racial justice, the Trump administration sent a budget plan to Congress on December 13, 2019, titled, "A Budget for America's Future." In the budget, he proposes cuts to social security programs for the elderly and the poor, such as Medicaid, Medicare, SNAP and TANF. These are the same programs that were expanded by the Families First Coronavirus Response Act and highly utilized by individuals and families, demonstrating the important role they play in securing the most basic needs of people living in the United States, especially during a time of need.

Specifically, the budget plan aims to cut funds in the following areas:

- Health and Well-being
 - Department of Health and Human Services cut by 11 percent to \$94.5 billion
 - End enhanced federal funding for Medicaid expansion.
 - Likely lead to states ending coverage of 12 million people.
 - \$1 trillion in cuts to Medicaid and Affordable Care Act (ACA) over ten years
 - \$182 billion in cuts over ten years for SNAP
 - Cuts for National Institutes of Health, one of the world's foremost medical research centers
 - \$20 billion cut over ten years for the Temporary Assistance for Needy Families (TANF) program.
 - Social Security and Disability Insurance (SSDI) cut tens of billions of dollars
 - State funding for child care, day programs for seniors and with disabilities, and services for homeless individuals and families
 - \$2.4 billion in cuts for the Environmental Protection Agency (EPA)
- Housing
 - Department of Housing and Urban Development cut by 24%
 - Eliminates housing vouchers for 160,000 low-income households
 - 2021 funding for public housing cut 43% from 2020.
 - Eliminates National Housing Trust Fund, HOME Investment Partnerships, Community Development Trust Fund and Choice Neighborhoods programs
- Education
 - Education Department's funding cut by 7.8%
 - Eliminates subsidized federal student loans
 - Eliminates public service loan forgiveness program

In contrast, Trump's 2021 budget plan proposed an increase in Defense and Homeland Security spending. An extra \$16 billion for Federal law enforcement and \$639 million for the Department of Justice would support "surge law enforcement to address violent crime and targeted violence". Of this, \$329 million is meant to support additional agents and personnel at DOJ's law enforcement components, and \$310 million is devoted to DOJ grant programs supporting State and local law enforcement. Trump's 2021 budget plan provides \$319 million in new funding for the Bureau of Prisons (BOP).

The plan also calls for an additional \$182 million to hire 750 Border Patrol agents and processing centers for agents, \$544 million to hire 4,636 ICE agents and immigration court prosecutors and

\$3.1 billion for 60,000 beds in ICE detention centers. The plan also calls for an additional \$7.2 billion toward barrier construction and \$2 billion for 82 miles of a wall along the border with Mexico.

Echoes of Tax (in)Justice in Mexico and Central America?

Similar patterns of the way funds are allocated in the United States are replicated in Mexico and Central America. Prior to the pandemic, these countries were also planning to implement cuts to foundational social safety net programs and increase the militarization of their citizens.

In Mexico, the 2020 budget plan includes cuts for the following areas:

- 14 percent decrease in funds for housing
- The Migrant Support Fund, the only federal program to support returnees, was not provided a budget for 2020.
- Despite an increase in femicides in 18 states across Mexico, a gender violence alert system approved in 2007 as a way to mobilize law enforcement and judicial officials saw an 11% decrease in its budget.
- Seven of the twelve programs meant to improve the quality of education in Mexico will have cuts, specifically in areas meant for technological development, public function, and culture.

Gender-based violence is a nation-wide problem for Mexico. More than 380 women have been killed in Mexico this year alone, an average of ten women killed a day. These dire statistics on femicide motivated the marches and the national women's strike on March 8th, which included the participation of about 80,000 women. Cutting programs and leaving flat budgets meant to address gender-based violence in Mexico will be detrimental to the fight against an increasing number of femicides in the country.

Meanwhile, there has been a 10.5 percent increase in funds for the National Institute of Migration and an increase of 31.26 percent for La Comisión Mexicana de Ayuda a Refugiados (the Mexican Commission for Aid to Refugees). Despite the large percentage increases, these agencies had low budgets to start with, and Mexico lacks the infrastructure to meet the needs of the growing population of migrants in Mexico and an increase in the number of asylum applications the country is receiving. This problem is exacerbated by the fact that the United States continues to block and return asylum seekers to Mexico, effectively forcing Mexico to take on its own responsibilities toward asylum seekers.

Similar to the United States, Mexico is also investing a large portion of its budget to recruit and train military personnel into the National Guard. The National Guard received a budget eight times the size of the Department of Labor and Social Welfare, and more than 250 times larger than the entire Department of Environmental and Natural Resources.

The budgets of Guatemala, Honduras and El Salvador are also allocating state funds towards militarizing security measures rather than investing in social programs such as health and education.

In Guatemala, there have been significant cuts to the Department of Education and the Department of Public Health, both key institutions in managing and maintaining the well-being of children and teens, the fight against child malnutrition and the reduction of maternal and child mortality. Specifically, the program meant to prevent maternal and neonatal mortality is being reduced by Q13 million in 2020. The 2020 budget also reduces funds for the Department of Housing

and Urban Development by more than Q1,000 million from 2019. In turn, Q200.0 million has been allocated to the National Defense in order to acquire military and security equipment.

Honduras is also cutting funds for the Department of Education while increasing funds for the Department of Security and Defense. Unlike other countries, Honduras is increasing funds for the Department of Health by 7 percent from 2019.

While El Salvador has approved a 43 percent increase in funds for education, the 2020 budget is not sufficient enough to integrate 800,000 children and adolescents who are currently out of school. According to the Central American Institute for Fiscal Studies (ICEFI), while the figure represents 16.2 percent of the total budget, it is still below past allocations. In the past, from 2015-2018, education accounted for 18.7 percent of the total budget.

El Salvador's 2020 draft budget eliminates programs labeled meant for women by a total of \$3.7 million. These programs include the Execution of the Law on Equality, Equity and Eradication of Discrimination against Women, the Special Comprehensive Law for a Life Free of Violence against Women, and the Ciudad Mujer program. El Salvador will eliminate the program meant to strengthen women's health.

In turn, President Nayib Bukele has pressured for approval of \$109 million towards his security plan which includes 50 million to increase the Army's presence in public sectors. Funds meant to protect the environment and implement environmentally-friendly policies and practices were reduced by 3.9 million from 2019. This decision will further affect El Salvador's environmental vulnerability.

What can we do?

The global state of emergency caused by COVID-19 calls us to take a serious look at the fragility of our public systems. What should countries be doing to guarantee basic subsistence and dignified conditions for all those who live there and how can we as taxpayers ensure our tax contributions are used to bring health care and food security for the millions of people who are at risk?

The money for government spending comes straight from our pockets and paychecks. Rather than investing billions of dollars in law enforcement using their power to criminalize and terrorize communities of color, these funds should be re-directed to programs meant to meet the basic human rights of people, regardless of skin color, gender, socioeconomic or immigration status. In the United States, the tax filing deadline on July 15 provides an opportunity for taxpayers to remind Congress that revenues come from taxpayers who care about the wellbeing of their communities.

Invest our tax contributions in programs that benefit communities, not in policing and militarization

This includes:

- Healthcare for all.
- Access to quality education that does not put students, families or teachers at risk.
- Guarantees that people can find or remain in decent housing, including support for renters.
- Protections for workers and healthy workplaces.
- Payments for workers who lose their jobs.
- Sustainable and healthy transportation systems that connect communities with jobs

- Recognition of the contributions of immigrants with equitable pathways to permanent residency.

Ask the government to STOP putting additional resources into

- Policing and law enforcement
- Anti-immigrant policies such as border walls, family separation, detention and deportations, attacks on people with temporary work visas or protections, blocking asylum seekers and refugees.
- Militarization and weapons

Why do our elected officials need to hear our voices? Because our tax dollars are being used to finance an agenda of discrimination, criminalization and fear. Most recently, COVID-19 has been used by President Trump as a vehicle for racism and xenophobia. It is important to avoid discrimination and stigma around coronavirus and the discriminatory messages that predate it, such as the common myth of non-citizens being a charge to the public in terms of benefits.

In January 2020, the Supreme Court allowed the Trump administration to enforce the “public charge rule,” which is meant to reduce the number of people who are eligible for green cards and other visas, by redefining what makes them dependent on government benefits. The public charge policy has been found to discourage people from seeking treatment for fear it would negatively impact their adjustment of status. So much so that the Center for Disease Control and Prevention is currently investigating the impact the public charge rule has on public health.

There is no doubt that the Trump Administration continues to push forward its anti-immigrant policies, despite the pandemic. Nor is there any doubt that the consequences of that choice will be dire— not only for people who are seeking asylum or in deportation proceedings, but for all the workers who come in contact with them, and the communities to which they are returned. Governments cannot continue with business as usual. This crisis calls for a refocusing of priorities toward protecting public health, and that means protecting the health of every single person living in a given territory, including those born in other countries, without regard to their migration status. The corona virus should be a wake up call for countries to confront the deeper problems that also threaten all of us, starting with profound economic inequality.

It is important to raise our voices and ask our elected officials to efficiently use our contributions to strengthen or create essential services that benefit millions of people in the United States, especially during a world-wide state of emergency.

1. Call your Congressional representatives using these links to call your Senator or Representative. Use this message: *I am calling my (SENATOR / REPRESENTATIVE) to ask her / him to use my tax-dollars wisely. Invest our tax contributions in programs that benefit communities, not in policing and militarization. In these troubled times, we need healthcare, education, housing, and worker protections. No more spending on walls, family separations, deportations and detention. Now is the time to do the right thing and value and protect our immigrant neighbors.*
2. Use these graphics on social media to educate others about the tax contributions of immigrants, including DACA and TPS recipients.
3. Print these graphics, take a selfie and share on social media

4. Read and share this report about tax justice in the US, Mexico, and Central America. Connect with us and [sign up for our newsletter](#)

Use the following messages when sharing graphics on social media:

- People who are undocumented workers pay more than \$27 billion in taxes every year. Tell Congress to protect them and provide a path to permanent residency. We need all of us together. #TaxDay2020
- TPS holders pay \$1.5 billion in federal, state and local taxes annually. Tell Congress #ProtectTPSNow
- STOP separating families, and funding detention and deportation. This hurts communities across the country, especially during COVID-19 pandemic # TaxDay2020.
- Congress-- Invest our tax dollars in communities not criminalization! We want health care, education, worker protections #TaxDay2020
- DACA recipients pay \$4 billion in taxes per year. Tell Congress to #ProtectDACANow