
THE STORY OF BROKE FAQs



Q: Why's it important to pay taxes?

A: Taxes are how we pay for the things we've collectively decided as a society are important and can't afford on our own – from public safety and schools to parks and product safety inspectors to cutting edge science and innovation. Taxes are also how we all pitch in to invest in a better future, ensuring the same opportunities we had are there for the next generation. As the good folks at I Heart Taxes (<http://ihearttaxes.org/>) explain: "Taxes do great things. How often do you get to save a child, build a bridge and put out a fire at the same time? American taxpayers do it every day. It's like getting to be a superhero!"

Q: What's so great about the EPA?

A: The United States Environmental Protection Agency (EPA) was founded in 1970 in the aftermath of a series of toxic waste disasters, including the infamous 1969 Cuyahoga River fire. The EPA provides critical services to help keep our environment healthy; it conducts scientific research and provides educational programs on environmental issues; it collaborates with businesses and non-profits to advance environmental health and safety and ensures compliance with environmental laws. The EPA works hard to ensure that companies aren't spilling toxic waste into our groundwater, that our air is clean and breathable and our rivers are clean enough to have fish, rather than flames, in them. Visit <http://thankyouepa.com/> for more about what the EPA does for us everyday.

Q: What else could we buy with lower defense spending?

Curious about how many college scholarships, households with renewable energy or elementary school teachers we could be paying for with the money we spend on tanks and fighter jets? The National Priorities Project's "Trade Offs" website (<http://nationalpriorities.org/tools/tradeoffs/>) allows you to make direct comparisons between military spending and other things on which we could be spending our federal money. While this site doesn't include all the possible things we could choose to invest in as a society, it does give us a sense of the things we trade off to keep such a bloated military budget. It turns out we really do have a choice between War and Austerity or Peace and Prosperity. Where do you want your tax dollars going? For more information take a look at: <http://nationalpriorities.org/tools/tradeoffs/>

Q: Don't those tax breaks for Big Oil create jobs?

The hugely profitable oil and gas industry is set to receive nearly \$100 billion in unnecessary taxpayer subsidies in the coming decades, says a September 2011 report by the Democratic staff of the US House of Representatives Natural Resources Committee. According to the same report, despite these massive profits, oil companies are not creating jobs in the United States or globally. Despite generating \$546 billion in profits between 2005 and 2010, ExxonMobil, Chevron, Shell, and BP combined to reduce their U.S. workforce by 11,200 employees over that time. In 2010 alone, the big 5 oil companies reduced

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their global workforce by a combined 4,400 employees, while making a combined \$73 billion in profits. For more information see: http://democrats.naturalresources.house.gov/content/files/2011-09-08_RPT_OilProfitsPinkSlips.pdf

Q: Does Walmart need a free road?

A: Hardly. Walmart recorded over \$400 billion in sales in 2010, making it North America's largest retailer. And it's not just free roads that Wal-Mart gets from the public's pockets! According to Walmart SubsidyWatch (<http://www.walmartsubsidywatch.org/>): "A secret behind Wal-Mart's rapid expansion in the United States has been its extensive use of public money. This includes more than \$1.2 billion in tax breaks, free land, infrastructure assistance, low-cost financing and outright grants from state and local governments around the country. In addition, taxpayers indirectly subsidize the company by paying the healthcare costs of Walmart employees who don't receive coverage on the job and instead turn to public programs such as Medicaid." For more information see: <http://www.walmartsubsidywatch.org/>

Q: Who are the biggest offenders?

A: The Big Banks for one. According to a September 2011 report by Public Campaign and National People's Action, the 12 members of the Joint Committee on Deficit Reduction (you know, the Congressional Supercommittee in the US charged with finding \$1.5 trillion in deficit reduction measures) have received \$41 million from the financial sector during their time in Congress and at least 27 current or former aides for the committee members have lobbied on behalf of financial firms. Among the ideas on the table before the committee are tax reforms that would close the so-called "Hedge Fund Loophole" and institute a Financial Speculation Tax, both opposed by the finance industry. As the report writers ask, "Will supercommittee members do what it takes to raise the revenue necessary or bow to the strong influence of their Wall Street backers?" We think that's a great question, don't you? To learn more visit: <http://showdowninamerica.org/supercommittee-wallst>

Q: Shouldn't we just end all subsidies?

A: No way. Government has a key role to play in supporting healthy and fair economic activity. Subsidies – broadly defined – are an important set of tools to meet that purpose. We support subsidies and other government investment tools – from tax breaks to research support to purchasing agreements – that make our economy and environment more healthy and safe and meet real public needs. There are numerous examples of successful public-private partnerships that led to technological innovations we enjoy today, from microchips and the internet to new drug treatments and energy technologies. The problem is, instead of investing in the future, we're propping up last century's dirty technologies.

