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Women's Stake In Federal Tax Policy

by Joyce Miller

In a panic over the growing federal budget deficit, Congressional and White House budget negotiators looking for a solution are said to be putting "everything on the table." As budget summit participants consider their options, it is imperative that they recognize the effect of federal tax policies on America's women.

Working women and female-headed households already bear a disproportionate tax burden through regressive consumer excise and payroll taxes. Increases in these taxes—reportedly high on some negotiators list of options—or the implementation of similarly regressive taxes such as a national sales tax or a value-added tax will compound the unfairness women face with federal tax policy.

"Women and Children First: An Analysis of Trends in Federal Tax Policy," a study commissioned by the Coalition of Labor Union Women, documents the economic hardships faced by working women and female-headed households that result from America's regressive federal tax structure.

Consumer excise taxes and payroll taxes require those who are least able, to pay a larger share of their income in taxes than those with larger incomes. In other words, they are regressive. As a result, low- and middle-income families, many of them headed by women, are hit hardest.

Women are working more hours and increasing in number in the workforce. Yet they remain at the bottom of the income ladder. They repre-

sent two-thirds of all adults living in households with incomes below \$10,000 and hold 60 percent of minimum wage jobs in the United States. Female-headed households



have a poverty rate five times that of families with both a husband and wife present; the poorest 40 percent of families with incomes already below the poverty line sunk even further into poverty between 1979 and 1987.

When our elected leaders sit down to negotiate their way out of the budget deficit, they must not negotiate away the economic futures of women and the families they head. Instead of compounding already unfair tax policies, they must look for answers that are progressive such as

strengthening the personal income tax.

Current federal tax policies are so unfair that they undermine the positive benefits women and children gain from legislation like the Child Care Act, the Parental Leave Act and a higher minimum wage.

So, if "everything" is to be on the table, let it include the economic security of women so the inequitable tax burden they bear might be recognized and their futures protected. The women in this country can no longer afford to let Congress abuse their economic security.

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