## VIA ELECTRONIC MAIL

February 15, 2024

Hon. Philip D. Murphy Governor 225 W. State Street Trenton, NJ 08625

Senate President Nick Scutari 125 W. State Street Trenton, NJ 08625

Assembly Speaker Craig J. Coughlin 125 W. State Street Trenton, NJ 08625

Dear Governor Murphy, Senate President Scutari, and Speaker Coughlin:

We, the undersigned faith, community, labor, and advocacy organizations, urge you to reinstate the Corporate Business Tax surcharge (CBT) to ensure working families in New Jersey can access the vital programming and services we rely on to survive. Middle, working-class, and low-wage New Jersey families have been facing skyrocketing inflation for years, and struggle every day to pay rent and utilities, put food on the table, and afford childcare and now face a 15% fare hike on NJTransit, with Turnpike toll hikes and gas tax increases likely to follow.

The best way to ensure our state has the revenue it needs is *not* through increasing regressive taxes on the already overburdened poor and working class. Wealthy corporations should continue to pay the corporate surcharge so we can fund programs and services like NJ Transit. The choice to give wealthy corporations a tax break while raising the cost of commuting for working families is a policy choice and a policy failure. It is a mistake to shift the burden onto low and middle-income families who are still struggling to afford the basics in order to cut taxes on wealthy corporations. We refuse to fight each other for scraps, while wealthy corporations like Amazon report vast profits as recently as the last quarter of 2023.

We are also deeply concerned at the prospect of increasing the sales tax in New Jersey. This should be a non-starter without asking wealthy corporations and individuals to pay what they owe. If the state is going to tax low wage workers through fare increases and sales tax increases, we cannot let big multinational corporations and wealthy individuals get a tax cut at the same time. According to a recent report published by the Institute on Taxation and Economic Policy, the poor contribute 5.7 percent of their family income to sales tax in comparison to the top 1% who pay only 0.9% of their income. But wealthy corporations can afford the corporate surcharge; it would generate more than \$1 billion in revenue, and businesses have already been paying it for years -- their profits increased dramatically even when they paid the corporate surcharge.

When wealthy corporations like Amazon are allowed to hoard their wealth instead of paying what they owe in taxes, New Jersey has fewer public funds to invest directly into our communities. Our <u>transit system remains unreliable</u>, <u>schools continue to crumble</u>, <u>thousands of New Jersey residents remain unhoused</u>, and our communities <u>combat poisoned air</u> and water.

Since Spring 2023, we have had thousands of conversations with train and bus riders, <u>taken</u> <u>collective action in district offices and outside the Statehouse</u>, and met with legislators to extend the corporate surcharge to hold corporations responsible to the communities and workers that make their operations possible.

We ask that you reinstate the corporate surcharge to ensure resources are put directly back into our communities so all of our families can thrive.

## Sincerely,

Action Together New Jersey

American Civil Liberties Union of New Jersey

American Friends Service Committee – New Jersey Immigrant Rights Program

Black Lives Matter Paterson

Blue Wave New Jersey

Clean Water Action

Communications Workers of America, District 1

Empower New Jersey

Fair Share Housing Center

Faith in New Jersey

First Friends of New York and New Jersey

Garden State Equality

Housing and Community Development Network of New Jersey

**Hudson County Complete Streets** 

Indivisible Cranbury

Jolt New Jersev

Latino Action Network

League of Women Voters of New Jersey

Lutherans Engaging in Advocacy Ministry NJ

Make the Road New Jersey

National Action Network South Jersey Chapter

Newark Communities for Accountable Policing

New Jersey Alliance for Immigrant Justice

New Jersey Citizen Action

New Jersey Food Democracy Collaborative

New Jersey Harm Reduction Coalition

New Jersey Policy Perspective

New Jersey Poor People's Campaign

New Jersey Working Families Party

New Jersey 11th for Change

New Jersey Institute for Social Justice

New Labor

Our Children / Our Schools

Our Revolution

Paterson Education Fund

Planned Parenthood Action Fund of NJ

**Rutgers AAUP-AFT** 

Save Our Schools New Jersey

Tri-State Transportation Campaign

Unitarian Universalist FaithAction New Jersey

Urban Agriculture Cooperative

Volunteer Lawyers for Justice

Waterspirit

Wind of the Spirit Immigrant Resource Center

## CC: New Jersey Senate Budget and Appropriations Committee

The Honorable Paul A. Sarlo, Deputy Majority Leader; Chair

The Honorable Linda R. Greenstein, Assistant Majority Leader; Vice-Chair

The Honorable M. Teresa Ruiz, Senate Majority Leader

The Honorable Carmen F. Amato

The Honorable Renee C. Burgess

The Honorable John J. Burzichelli

The Honorable Gordon M. Johnson, Assistant Majority Leader

The Honorable Nilsa Cruz-Perez

The Honorable Patrick J. Diegnan

The Honorable Andrew Zwicker, PhD

The Honorable Declan J. O'Scanlon, Republican Budget Officer

The Honorable Douglas J. Steinhardt

The Honorable Michael L. Testa, Republican Whip

## New Jersey General Assembly Budget Committee

The Honorable Eliana Pintor Marin, Budget Chair

The Honorable Benjie E. Wimberly, Speaker Pro Tempore; Vice-Chair

The Honorable Carol A. Murphy, Majority Whip

The Honorable Gary S. Schaer, Policy Chair

The Honorable Verlina Reynolds-Jackson, Constituent Outreach Chair

The Honorable Herb Conaway, Jr., M.D., Deputy Speaker

The Honorable Nancy F. Munoz, Minority Budget Officer

The Honorable Aura K. Dunn, Assistant Minority Whip

The Honorable Brian E. Rumpf, Minority Parliamentarian

The Honorable Gerry Scharfenberger, PhD, Minority Policy Chair

The Honorable Al Barlas

The Honorable Roy Freiman, Deputy Majority Leader

The Honorable Ellen J. Park, Parliamentarian

The Honorable Gabriel Rodriguez

The Honorable Michael Venezia