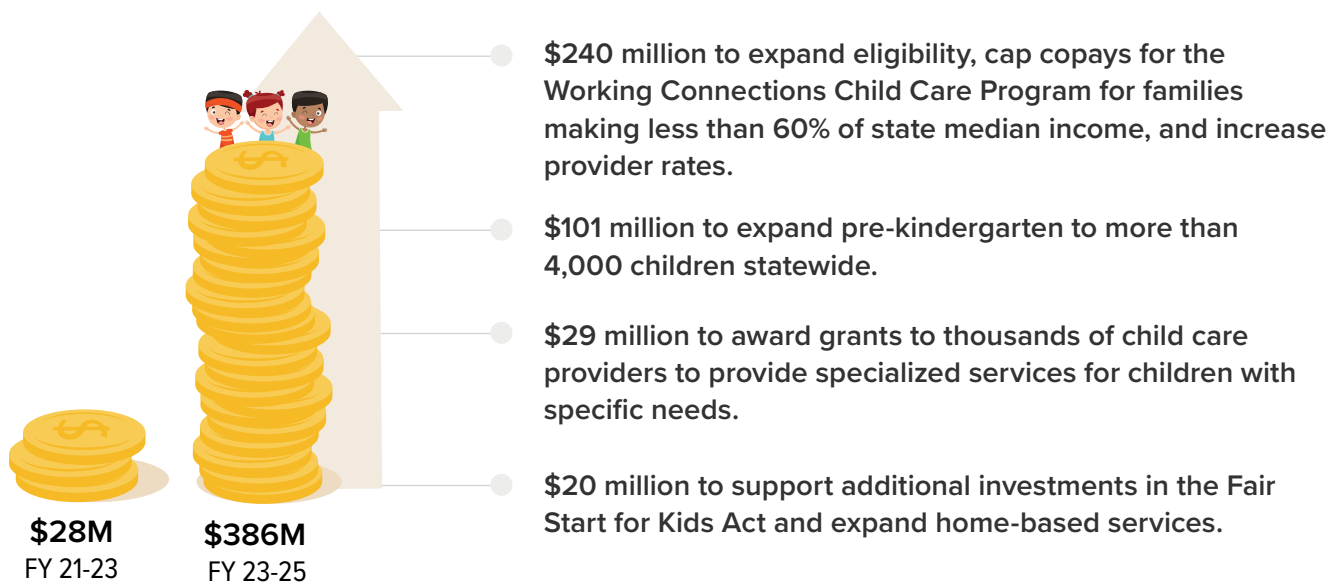


Washington state's capital gains tax boosts investments in kids from Omak to Ocean Shores

Revenues from Washington's capital gains tax are dedicated to fund early learning and education expenditures and school construction. In the first two years, the tax is already making a real difference for kids.

\$386 Million for Child Care and Early Learning

Thanks to capital gains revenues, dedicated spending on child care and early learning through the Education Legacy Trust Account increased exponentially, from \$28 million in fiscal years 2021-23 to \$386 million in fiscal years 2023-25. This increased investment - from a tax paid exclusively by the wealthiest Washingtonians - is equivalent to \$833 for every child aged 0 to 5 in Washington state.



Source: Washington State Budget and Policy Center calculations using data provided by Washington Department of Children, Youth, and Families

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I'm a single mom with three boys at home, and I work full-time for an ECEAP preschool. I've struggled to find and afford afterschool care for my youngest, forcing me to interrupt my workday when school lets out. Under the new Fair Start for Kids Act – I got access to a fantastic after school program and my copay is capped at \$65/month. My son has really benefited, and I've been able to keep working which has helped our local economy.

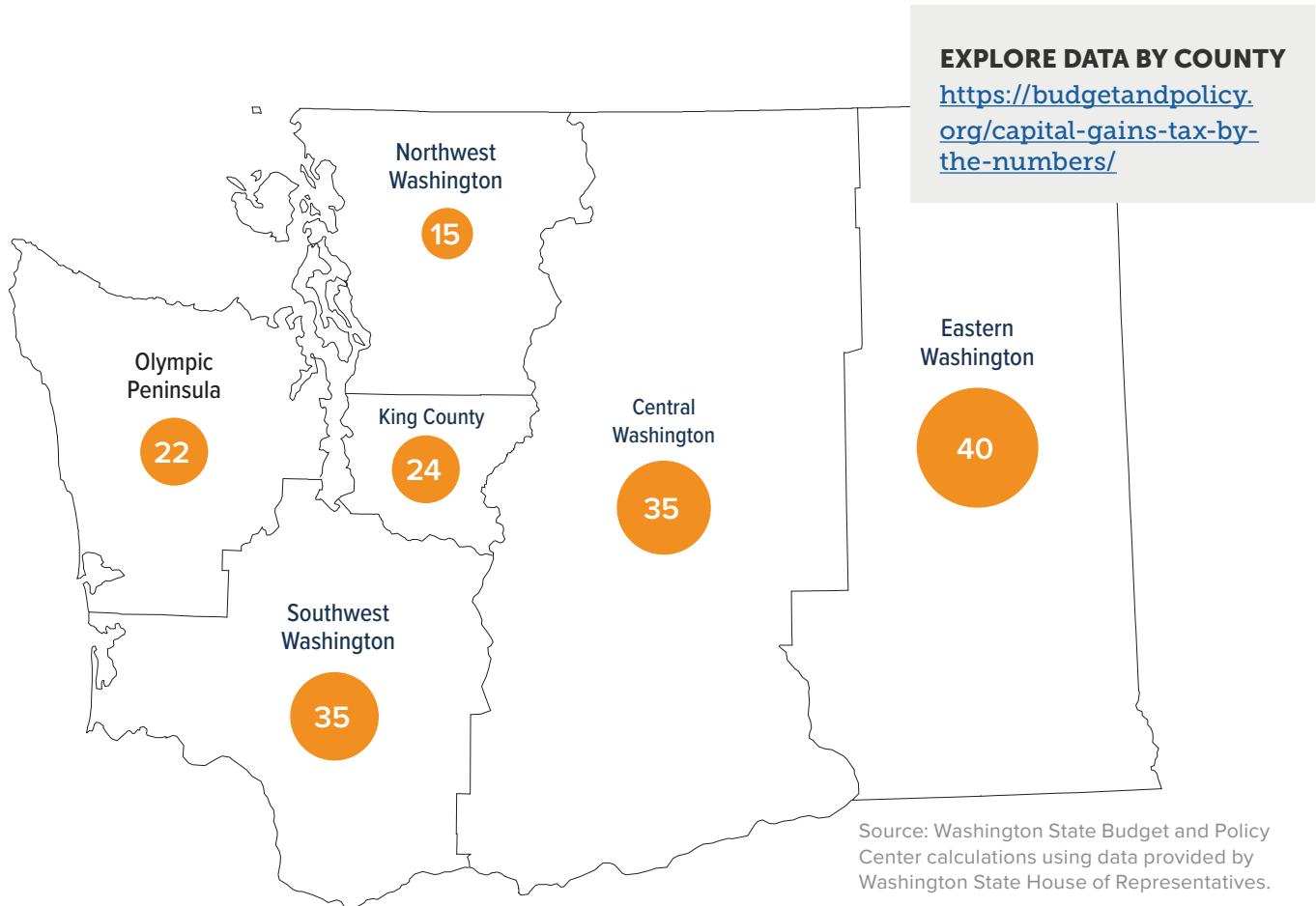
- Lupe from Walla Walla -

“

171 School Construction Projects

Revenue over \$500 million per year from the capital gains tax is dedicated to the Common School Construction Account. These funds are provided to school districts to help cover the costs of projects like the construction of the new Bethel High School in Graham, seismic safety projects at Taholah School District in Grays Harbor County, and the Tri-Tech Skills Center in Kennewick.

So far, more than 75% of the revenues generated by the capital gains tax went to school construction projects outside of King County.



”

Pasco was the only district to pass our bond. It is only with the help of the Capital Gains Tax that a third comprehensive high school and a small innovative high school is possible. Without such funding, our students would continue to be housed in overcrowded spaces with no room for growth. The capital Gains Tax, which taxes only the 0.2% who can afford it, is greatly appreciated.

- Maria Lee, President, Pasco Education Association -

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TABLE 1

Child Care and Early Learning Investments Supported by Washington's Capital Gains Tax

Fiscal Year 2023

	Estimated child care/pre-K slots created	Estimated new child care/pre-K expenditures	Child care provider grants funded
Adams	59	\$943,340	\$46,168
Asotin	33	\$448,816	\$61,761
Benton	360	\$5,036,346	\$929,082
Chelan	155	\$2,036,393	\$639,787
Clallam	68	\$962,923	\$271,327
Clark	657	\$10,953,120	\$1,406,486
Columbia	4	\$50,530	\$0
Cowlitz	132	\$2,334,595	\$608,879
Douglas	100	\$1,250,532	\$91,637
Ferry	8	\$96,934	\$3,866
Franklin	319	\$4,264,263	\$1,067,384
Garfield	N/A	N/A	N/A
Grant	329	\$4,344,837	\$548,137
Grays Harbor	145	\$1,895,487	\$391,063
Island	54	\$663,038	\$149,363
Jefferson	6	\$87,497	\$20,137
King	2299	\$51,194,190	\$9,078,871
Kitsap	173	\$2,583,402	\$740,256
Kittitas	27	\$307,500	\$159,711
Klickitat	26	\$345,725	\$1,810
Lewis	138	\$2,003,242	\$277,795
Lincoln	13	\$150,397	\$4,510
Mason	67	\$871,459	\$223,024

	Estimated child care/pre-K slots created	Estimated new child care/pre-K expenditures	Child care provider grants funded
Okanagon	75	\$913,811	\$161,412
Pacific	38	\$470,020	\$250,155
Pend Oreille	2	\$20,404	\$27,277
Pierce	1230	\$17,812,819	\$2,149,031
San Juan	19	\$279,934	\$208,073
Skagit	154	\$2,832,767	\$324,280
Skamania	9	\$119,469	\$6,351
Snohomish	912	\$14,116,394	\$2,501,281
Spokane	1286	\$16,705,956	\$1,909,067
Stevens	43	\$460,263	\$179,050
Thurston	258	\$3,784,287	\$651,191
Wahkiakum	8	\$69,985	\$19,362
Walla Walla	95	\$1,310,026	\$311,989
Whatcom	170	\$2,874,325	\$702,597
Whitman	42	\$563,003	\$70,229
Yakima	879	\$12,519,333	\$2,017,275

TABLE 2

School Construction Projects Supported by Washington's Capital Gains Tax

Fiscal years 2023 - 2025

	Number of projects	Estimated funding from capital gains tax	Name of largest project / recipient
Adams	N/A	N/A	N/A
Asotin	2	\$4,054,143	Asotin-Anatone School District
Benton	2	\$34,974,659	Tri-Tech Skills Center
Chelan	2	\$11,306,297	Wenatchee Valley Technical Skills Center
Clallam	3	\$3,912,862	Sequim School District CTE Center of Excellence Phase 1
Clark	2	\$1,071,123	Skills Centers Minor Works – Cascadia Tech Academy
Columbia	2	\$3,864,489	Dayton School District
Cowlitz	2	\$906,807	Cascadia Tech: Natural Resource Outdoor Learning Collaboration
Douglas	8	\$11,032,950	Bridgeport 9-12 Modernization
Ferry	5	\$7,352,741	Inchelium School District
Franklin	2	\$51,352,312	Pasco New Comprehensive High School #3
Garfield	1	\$22,267	Pomeroy School District
Grant	3	\$3,887,524	Wilson Creek School District
Grays Harbor	7	\$25,353,400	Taholah Seismic Safety Project
Island	N/A	N/A	N/A
Jefferson	5	\$3,595,748	Brinnon School District
King	24	\$119,013,900	Evergreen High Replacement
Kitsap	2	\$32,868,501	West Sound Technical Skills Center Modernization
Kittitas	2	\$38,392	Thorp School District
Klickitat	7	\$2,931,575	Trout Lake School District
Lewis	9	\$8,122,874	Morton School District

	Number of projects	Estimated funding from capital gains tax	Name of largest project / recipient
Lincoln	5	\$5,579,821	Sprague School District
Mason	5	\$5,406,291	Pioneer School District
Okanagon	7	\$3,751,618	Brewster Transportation Coop
Pacific	6	\$7,684,443	Raymond School District
Pend Oreille	2	\$58,355	Selkirk School District
Pierce	5	\$91,138,352	New Bethel High School
San Juan	N/A	N/A	N/A
Skagit	4	\$2,287,366	La Conner School District
Skamania	4	\$4,647,675	Stevenson-Carson School District
Snohomish	9	\$37,888,458	Jackson Elementary Modernization and Replacement
Spokane	2	\$42,998	Great Northern School District
Stevens	13	\$10,579,162	Kettle Falls School District
Thurston	5	\$1,716,100	Skills Centers Minor Works – New Market Skills Center
Wahkiakum	2	\$330,167	Wahkiakum School District
Walla Walla	1	\$26,874	Prescott School District
Whatcom	2	\$5,451,593	Tribal Compact Lummi School District
Whitman	5	\$130,531	Steptoe School District
Yakima	4	\$4,167,781	Tribal Compact Yakama School District 2



The Washington State Budget and Policy Center is a research and policy organization that works to advance economic justice for everyone in Washington.

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