



Fighting Washington's New Unconstitutional Income Tax

Overview

Washington lawmakers have passed a new tax on income over \$1 million (ESSB 6346). Under Washington's Constitution, this type of tax **is not allowed**—the legislature passing it, and the Governor signing it has triggered a need for litigation by the Citizen Action Defense Fund (CADF). CADF has retained former Attorney General Rob McKenna to spearhead the legal challenge, which will focus on the unconstitutionality of the income tax.

Legal Strategy

Income is property under the Washington State Constitution, and this distinction matters. Property can only be taxed if the tax meets the following conditions:

1. It must be uniform
 - a. All property must be taxed at the same rate
2. It cannot exceed 1%
 - a. There is a hard constitutional cap on property tax rates

The proposed income tax breaks both rules.

- It taxes the income of some people but not others, and exempts the first \$1M of an individual's income, meaning it is not uniform
- It sets a rate around 10%, which is far above the 1% limit

Timeline & What Happens Next

- A legal challenge has been filed by CADF, Rob McKenna, and Phil Talmedge on behalf of ten plaintiffs from around the state.
- CADF will need to raise \$800,000-\$1 million to see the lawsuit through to the state supreme court over the next 12 months.

Get Involved

Make a Tax-Deductible/Non-Disclosable Donation to support this new 2026 budget item online at www.citizenactiondefense.org/contribute or mail a contribution to: Citizen Action Defense Fund, 111 21st Avenue SW, Olympia, WA 98501

Since 2020, Citizen Action Defense Fund has been a champion for hope and legal “watchdog” for all Washingtonians, helping to ensure that state and local governments play by the rules and that the public's constitutional rights are protected. We achieve these goals by supporting and pursuing strategic, high-impact litigation in cases where we have an opportunity to advance free markets, restrain government overreach, or defend constitutional rights. We currently have eight active cases and litigate at all levels of the state and federal courts--including providing an amicus brief in a significant and successful case in the U.S. Supreme Court.

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