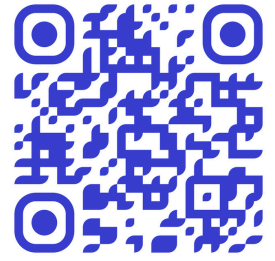


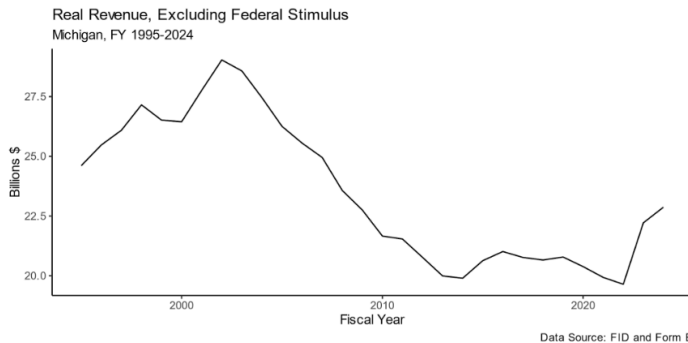
# Invest in MI Kids



## Research shows that our schools are chronically underfunded

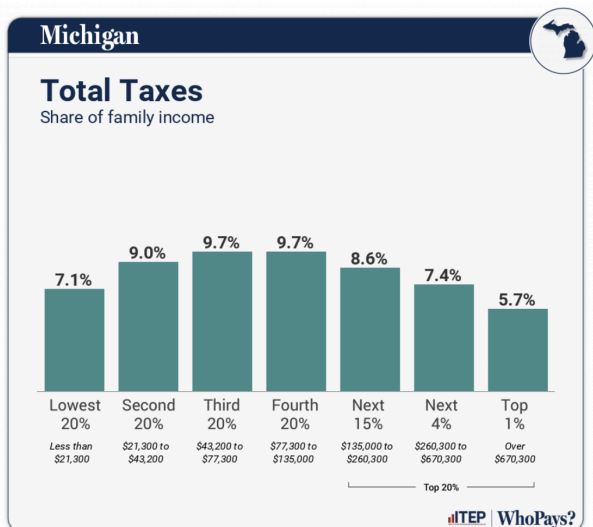
“It would cost \$4.5 billion to bring districts to funding adequacy based on estimates updated from the 2018 Michigan School Finance Research Collaborative (SFRC) adequacy study. This cost includes an estimated \$1.6 billion to introduce universal, no-cost preschool.” - Education Law Center

### Total Education Revenue in Michigan Inflation-adjusted, billions of \$



“An analysis of the data collected estimates that it will cost approximately \$22.8 billion to bring Michigan public school buildings to a common standard of health, safety, and wellness through the year 2033.” - School Finance Research Foundation

## Why a fair share surcharge?



Michigan currently has a regressive tax code, where the highest earners pay a lower effective tax rate than everyone else.

A fair share surcharge creates a more balanced tax code and funds our future!

## But... Michiganders can actually fix this!

Invest in MI Kids will fund our schools with a 5% “fair share surcharge” on annual income over \$500,000 for individuals, or over \$1 million for joint filers.

This will raise about \$1 billion each year for Michigan’s public schools.

## Here’s how:

STEP 1: We identify & train 7,000 signature gatherers

STEP 2: Together, we will collect 700,000 signatures over 180 days

STEP 3: 2.8M people vote yes in November 2026



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# FAQs

## Q: How would a fair share surcharge work in practice?

Mary is a single woman who makes \$600,000 a year.

Now:  $\$600,000 \times 4.25\% = \$25,500$

With a fair share surcharge:  $(\$500,000 \times 4.25\%) + (\$100,000 \times 9.25\%) = \$30,500$

## Q: How does this compare to other states?

Because each state relies on a different mix of types of taxes (sales, property, income, etc.), it doesn't make sense to compare income tax rates.

However, Michigan currently ranks 34<sup>th</sup> lowest in the country for average effective tax rate, and is lower than all neighboring Great Lakes states.

<https://growingmichigan.org/wp-content/uploads/Michigan-Overall-Effective-Tax-Rates.pdf>

## Q: Why don't you do this through the Legislature?

The Michigan State Constitution currently prohibits the use of tax brackets, which 27 states, the District of Columbia, and the federal government use. In order to create a new tax bracket, we have to amend the State Constitution.

## Q: Won't high income individuals leave?

It is certainly possible that some high income individuals will pursue lower taxes in other states, although they can do that now. However, research shows that on average, state tax levels have minimal impact on decisions to move into or out of states.

<https://www.cbpp.org/research/state-budget-and-tax/state-taxes-have-a-minimal-impact-on-peoples-interstate-moves>

[www.InvestInMIKids.org](http://www.InvestInMIKids.org)

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