

## **Financial Transactions Tax could generate \$300 Billion – and bail out state and local budgets**

A **Financial Transactions Tax (FTT)** on trades in stock, currencies and derivatives could **generate upward of \$300 Billion per year** in federal revenues – while at the same time putting a brake on speculative trading on Wall Street. If this were to be enacted, the revenue could go a long way to relieving pressure on state and local budgets, to maintain funding for services such as education, health care, transportation and infrastructure.

An FTT [proposal has been revived in Congress](#) – by Senator Tom Harkin (D-Iowa) and Congressman Peter deFazio (D-Oregon). It is entitled the "Wall Street Trading and Speculators Tax Act" – [S.1787 in the Senate](#), and [HR.3313 in the House](#). Given a dysfunctional Congress, it faces a steep hurdle - even though these bills propose a tax of only 0.03% per \$100 traded, raising \$300 billion over a ten year period.

Yet, the concept is supported by diverse voices such as [Bill Gates](#), by [the 'Occupy' movement](#), and National Nurses United at rallies in Washington D.C. And it's not new. Nobel prize-winning economist [James Tobin proposed and championed the idea](#) in 1972!

When the financial 'wizards' on Wall Street have driven the economy over the cliff (through a [decades-long push for deregulation](#) of the financial services industry) and Main Street households across America show rising anger about unfairness in our tax system – this may be a partial fix to an economy that too-much profits by speculative trading and making money, rather than by making things.

Advocates, as always, need to know the hurdles and opposition points. Here's [what Cyrus Sanati \(Fortune\) has to say](#).

Here is a list of links with info:

[Sen. Harkin press release](#)

<http://harkin.senate.gov/press/release.cfm?i=334643>

Reuters: [Democrats revive financial transactions tax idea](#)

<http://www.reuters.com/article/2011/11/02/us-usa-tax-transaction-idUSTRE7A175U20111102>

11-4-11 CBS News / [Alain Sherter: Time for a financial transactions tax](#)

[http://www.cbsnews.com/8301-505123\\_162-57318095/time-for-a-financial-transaction-s-tax/?utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+cbsnews%2Ffeed+\(CBSNews.com\)](http://www.cbsnews.com/8301-505123_162-57318095/time-for-a-financial-transaction-s-tax/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+cbsnews%2Ffeed+(CBSNews.com))

11-3-11 Bloomberg / [Unions, 'Occupy' Call for Financial Transaction Tax](#)

<http://www.bloomberg.com/video/79513056/>

11-4-11 Fortune / [Cyrus Sanati: Why the FTT proposal is DOA](#)

<http://finance.fortune.cnn.com/2011/11/04/financial-transaction-tax/>

11-3-11 ThinkProgress / [Bill Gates champions a Financial Transactions Tax](#)

<http://thinkprogress.org/economy/2011/11/03/360340/gates-champions-transactions-ta/>

Rep. Peter deFazio - [co-sponsors HR 4191 in 2009-2010 session \(NOT HR 4646\)](#)

[http://www.defazio.house.gov/index.php?option=com\\_content&view=article&id=642&Itemid=129](http://www.defazio.house.gov/index.php?option=com_content&view=article&id=642&Itemid=129)

WPC Blog Post: [How deregulation – bought by Wall Street campaign cash and lobbying – led directly to financial meltdown](#)

<http://www.washclean.org/smokinggun.htm>