

## Conclusion – First Draft from Commissioner Kleppner

Reforming and restructuring a state tax system is hard. It is probably harder than creating an entire tax system from scratch. Our economy, technology, and climate are changing faster than ever, and designing a tax system that will evolve appropriately as our world changes is daunting. In addition, the modern economy is growing more complex, which makes designing a fair and sustainable tax system that is as simple as possible even more challenging.

Then there is the human factor. People are properly cautious about change, and are even more wary of change that involves their money. There are hundreds and hundreds of companies, industries, and interest groups in Vermont, each of which is naturally more focused on their own well-being than on Vermont's overall well-being. The goal of making our system more fair implies that it is not perfectly fair right now, which in turn means that right now some people are bearing more than their fair share of the tax burden, and some are bearing less. That means that moving toward more fairness means that some people will have a greater relative burden than they do now. They will not like that. You will hear from them.

Evolving our tax system is difficult and daunting and complicated, but it is vitally important for the well-being of our Vermont community. We wish you luck, patience, and wisdom as you undertake this part of the journey. We are grateful to everyone in the legislature and the administration for your work on this, and for everything you do every day for Vermont. We are grateful for the opportunity you gave us to contribute, we hope this report is useful to you, and we stand ready to help in any way we can.

Respectfully submitted,