



WHAT PRICE FREEDOM?

The Tea Act of 1773 was imposed on the American colonies by the heavily indebted British government (sound familiar?) in the decade leading up to the American Revolutionary War. The Act's main purpose was to bail out the failing East India Company. (Too big to fail?) The British government granted the company a monopoly on the importation and sale of tea in the colonies. (Crony capitalism?) The colonists opposed the legitimacy of the tax with the ultimate flare-up of the Boston Tea Party on December 16, 1773, when colonists boarded East India Company ships and dumped their loads of tea overboard. Parliament responded with a series of harsh measures intended to mute colonial resistance to British rule; two years later the war began. These freedom-loving individuals were willing to risk their very lives, fortunes, and sacred honor to defeat a simple tax on tea! What would they think today? Low flow showerheads; sodium, sugar, trans-fat contents of foods; mandates to the maintenance of our health and even to our very lives; federal politicians exempting themselves from laws they impose on the rest of us; school lunch menus; content of radio broadcasts; automobile engine designs; race quotas for admissions and subsidies; selection of classroom texts and standards; land use and improvements upon our own properties; automobile insurance mandates; estate and death taxes; selective enforcement of federal laws; on and on, ad infinitum. All dictates of today's federal government – the very government so feared by our founders.

With our hard-earned money - or at least the 50% of us who foot 98% (2009 IRS) of the government's budget and the 1% who alone pay 35% (2011 IRS), this federal government in its attempt at redistribution and failure at solvency has set upon its self-appointed role – not of securing our freedoms and liberties – but of social engineering and subsequent rewards and penalties to the various factions which it exploits: affluence, gender, sexual preferences, race, religious beliefs, corporation size, people size, tribal status, union and non-union labor, working v. non-working, born and unborn, etc. Instead of "We, The People" calling the shots for the government, the federal government now calls the shots for "The Wee People". Instead of unifying the country as a confederated republic, the federal government has divided the union into countless and endless special interests. Instead of treating all of us as Americans with equal God-given rights, the federal government expands the definition of "rights" and then extends them to those whom it deems worthy of its generosity at the expense of the others who must provide for its generosity.

There are several reasons we've arrived here, the more important ones being abandonment of fundamental truths by vainly thinking we know better than God, a secularized and value-less public educational system, and bias of the media as government's fourth estate. Our ship's anchors have been weighed and we're floundering. Because we've taken for granted our freedom and sovereignty as individuals with God-given rights, we are at this time one step away from losing everything. The BCTA understands a few fundamentals:

- Government has a role to play in our lives, BUT it MUST be tempered by our constitutional principles and restraint.
- Taxing is the most imposing and most familiar way for government to fund that role.
- The BCTA is not against taxes; we oppose excessive, illegitimate, and inappropriate taxation.

The BCTA must continue to be a thorn in the side of politicians running for election, of referenda initiatives, of self-important media outlets, of taxing entities that think the answer to every problem is more money. The BCTA does a lot with relatively very little: a hunger for freedom, common sense, individual initiative, and a desire for accountability. We understand that freedom is not – and will not - be secured just once. It will always require constant effort and vigilance. We understand that, while our battles will never end, there are no other acceptable options. As President Ronald Reagan once warned: *"Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free."*

Rich Heidel - BCTA Director

The BROWN COUNTY TAXPAYERS ASSOCIATION
In our 30th Year of Promoting Fiscal Responsibility in Government.

Locked out of the cockpit.

That phrase finally revealed the full horror of the crash of Germanwings flight 9525. Co-pilot Andreas Lubitz waited for the pilot to leave the cockpit, then locked the door to prevent his re-entry. After which Lubitz, for reasons unknown and perhaps unknowable, deliberately steered the jet into a harrowing 8-minute plunge ending in an explosive 434 mph impact with a rocky mountainside. 150 men, women and children met an immediate, unthinkable violent death. Lubitz, in his single-minded madness, couldn't be stopped because anyone who could change the jet's disastrous course was locked out.

It's hard to imagine the growing feelings of fear and helplessness that the passengers felt as the unforgiving landscape rushed up to meet them.

Hard ... but not impossible.

Because America is in trouble. We feel the descent in the pits of our stomachs. We hear the shake and rattle of structures stressed beyond their limits. We don't know where we're going anymore, but do know it isn't good. And above all, we feel helpless because Barack Obama has locked us out.

He locked the American people out of his decision to seize the national healthcare system. Locked us out when we wanted to know why the IRS was attacking conservatives. He locked us out of having a say in his decision to tear up our immigration laws, and to give over a trillion dollars in benefits to those who broke those laws.

Obama locked out those who advised against premature troop withdrawals. Locked out the intelligence agencies who issued warnings about the growing threat of ISIS. He locked out anyone who could have interfered with his release of five Taliban terror chiefs in return for one U.S. military deserter.

And, of course, Barack Obama has now locked out Congress, the American people, and our allies as he strikes a secret deal with Iran to determine the timeline (not prevention) of their acquisition of nuclear weapons.

Was Andreas Lubitz depressed, insane, or abysmally evil when he decided to lock that cockpit door and listen to no voices other than those in his head? Did he somehow believe himself to be doing the right thing? The voice recordings from the doomed aircraft reveal that as the jet began its rapid descent, the passengers were quiet. There was probably some nervous laughter, confusion, a bit of comforting chatter with seatmates, followed by a brief period in which anxiety had not yet metastasized into terror.

It was only near the end of the 8-minute plunge that everyone finally understood what was really happening. Only near the end when they began to scream. Like those passengers, a growing number of Americans feel a helpless dread as they come to the inescapable conclusion that our nation's decline is an act of choice rather than of chance. The choice of one man who is in full control of our 8-year plunge.

A man who has locked everyone out.

From the internet - Author and Source Unknown.

Prevailing Wage Costs Wisconsin Taxpayers \$200-300 million.

There is a hidden tax that most taxpayers don't even know about.....it is robbing our school districts, putting strain on local governments, and costing residents hundreds of millions of dollars each year. This hidden tax is Wisconsin's prevailing wage law, a mandate that governmental bodies must pay higher, inflated wages to workers on large public construction projects. These costs are so high that a recent report by the Wisconsin Taxpayers Alliance found that the state's prevailing wage laws cost state taxpayers \$200 to \$300 million in 2014 alone.

There is a group of state lawmakers who are moving to get rid of these statewide prevailing wage laws. These lawmakers have introduced Assembly Bill 32 and its companion, Senate Bill 49. These bills call for a complete repeal of the state's prevailing wage laws, which, according to the Wisconsin Taxpayers Alliance, are inflated up to 45% of the market wage and paid for out of taxpayers' pocketbooks. It is time to let the free market set these wages, as is done in the private sector.

Organizations including the Wisconsin Association of School Boards, the Metropolitan Milwaukee Association of Commerce, the Wisconsin Counties Association, the Associated Builders and Contractors, and the National Federation of Independent Business are all in support of repealing prevailing wage. In fact, this would be a key way to allow schools more savings. The elimination of the prevailing wage laws will also be beneficial in helping to support our state's transportation needs and will allow state and local governmental bodies more flexibility in their budgets.

Assembly Bill 32 and Senate Bill 49 have 41 legislators signed on in support as sponsors. Now is the time for repeal. Contact your State Senator and your State Representative and ask them to support a full repeal of prevailing wage.

Representative Rob Hutton, R-Brookfield, represents the 13th Assembly District.

"Guns are like Parachutes. If you need one and don't have one, you'll probably never need one again." . . . **Anonymous**

"A nation that is afraid to let it's people judge the truth and falsehood in an open market is a nation that is afraid of it's people." . . . **John F. Kennedy**

"If stupidity got us into this mess, why can't it get us out?" . . . **Will Rogers**

"If you tell the truth, you don't have to remember anything." . . . **Mark Twain**

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BROWN COUNTY
Taxpayers Association

APRIL MEETING NOTES.

Monthly Brown County Taxpayers Association meeting held April 16, 2015, at Titledown Brewing. The meeting consisted of committee reports and discussion.

County and Municipal: In the April 7 election, Troy Streckenbach was reelected as Brown County Executive. Jim Schmitt was reelected as Mayor of Green Bay. With the reelection of these two officials, citizens can expect property tax rates to not increase and efforts to reduce outstanding debt to continue.

State and Federal: Glen Schwalbach reported that he attended the first executive committee meeting of the Joint Finance Committee (JFC) on the Governor's proposed budget on April 15 in Madison. The agenda items were budgets for the Secretary of State, the Public Service Commission, the State Treasurer, and some judicial items.

The Joint Finance Committee reduced full-time staff positions in the Secretary of State's office from 3 to 1. Funding for intervenor groups was reduced in the Public Service Commission's budget, reducing collections from utilities to fund outside intervenors in utility rate cases. A \$250,000 item to study negative health impacts upon residents living near wind turbines was eliminated, but the Public Service Commission was directed to perform a study based upon the latest information.

The Joint Finance Committee also removed fourteen items identified by the Legislative Fiscal Bureau as non-fiscal from the budget. Full details of the meetings in Glens report in the following article.

Schools: Rod Goldhahn reported that the \$2.7 million technology referendum for the Pulaski School District was rejected by a 65 percent to 35 percent margin on April 7. The referendum asked for \$685,000 per year for four years to provide iPads for all students in the fourth through twelfth grades and one iPad for every two students in kindergarten through the third grade. Citizens opposing the referendum argued that the technology will be out of date soon.

Richard Parins reported on his recent trip to Hong Kong. He was impressed by the prosperity he observed there. Hong Kong has a tax system very favorable to industry and commerce. It has almost no debt and runs budget surpluses.

The next BCTA meeting is scheduled for Thursday, May 21, at the Titledown Brewing Annex. The scheduled speaker is Cullen Peltier, director of the Brown County Communication System. Details on back cover of this Tax Times.

Dave Nelson - Secretary

Highlights of First Budget Executive Session of Jt. Finance Committee (JFC).

After the legislature got the budget from the governor, the Legislature Fiscal Bureau (LFB) started its review, agency by agency. The LFB is identifying non-fiscal policy items and, for fiscal items, estimating the cost and offering alternatives in the form of "budget papers" for the JFC to consider.

In the meantime, the JFC held hearings around the state to get public input. As the LFB delivers each set of budget papers, each party caucuses to decide how they would like to handle each budget item before each of the JFC's executive sessions.

The first executive committee meeting on the governor's proposed budget was held on April 15. The agenda items were the Secretary of State, the Public Service Commission, State Treasurer and a number of judicial items.

The JFC decided to cut the Secretary of State's full-time staff from three to one. Some of its duties were transferred to other state entities last session.

The Public Service Commission is funded by program revenue which means, in this case, the PSC orders the utilities to charge their ratepayers a predetermined amount to turn over to the PSC for its operations. The JFC decided to reduce the amount of funding that the PSC can provide to outside intervenors in utility rate cases. Such groups will have to rely on raising more of their funding directly from the people they claim they represent.

Also, the JFC decided to remove \$250,000 from the PSC budget that the governor had designated for studying the negative health impacts upon residents living near wind turbines. But the JFC did still direct the PSC to do a study of the latest information. It is expected the PSC will take a close look at the significant acoustic study done by four acoustic consulting firms in the Shirley Wind Farm in Brown County for which the Brown County Board of Health has concluded there is a human health hazard.

The JFC decided to modify the various judicial budget items that the governor proposed which basically kept operations as they are now. So far, the JFC determined the fourteen of forty-nine items listed by the LFB as non-fiscal items were removed from the budget. This included the recommendation to transfer property assessments from municipalities to the counties.

Glen Schwalbach- Director

National Debt Update.

As of May 1, 2015, the United States National Debt had reached a total of \$18.205 trillion dollars. Eighteen followed by a whole bunch of zeros. The government didn't want to upset anyone by including liabilities like Social Security, Medicare, Government retirement benefits, interest on the National Debt, and a few other items. The next president may be concerned, but as candidate Clinton says, "What difference does it make."

Actually we could buy a lot of stuff if we didn't have to pay the annual interest of \$525,650,424, 235.00 which amounts to (and compounds) at the rate of about \$144 BILLION every single day including Saturdays, Sundays, and Holidays.

JF

"I leaned early on that you don't want your memos to get you in trouble someday. Just don't write any." . . . Dick Cheney

"Where did the idea come from that we should worship celebrities and we aren't allowed to worship God as we understand him?" . . . Ben Stein

"People say I steal. Well, all politicians steal." . . . Huey P. Long

Things That Make Us Wonder.

Even though your federal and state income tax returns were due to be filed by April 15, "Tax Freedom Day" this year wasn't scheduled to arrive until sometime during April 24.

That's the mythical time when all of the income we all have earned for the year to date equals the amount of all of the federal, state, and local taxes we have paid or will pay during the course of the entire year.

We caution that the term "taxes paid" should not be confused with money spent by government units as funds borrowed are not part of the equation.

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Citing that utility rates to consumers have been stable in recent years, but maintenance, expansion of services, and pollution control expenses were mounting WPS has announced it is seeking rate increases for their 445,000 electric and 330,000 gas customers.

Increases are approved by the State Public Service Commission based on facts presented.. While utility expenses represent one of the largest costs to home and business owners, we must appreciate we get a lot for our money as well as superb and prompt service when outages occur.

If you have any problem with your utility bills, imagine what it could be like if the Federal government stuck it's nose in like they did with our healthcare system

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A recent *Press-Gazette* article noted that the turnout voting in the April mayoral race was less than half of such a race 50 years ago, and that this seems to be a trend.

This is disturbing after all the TV advertising we see promoting candidates and the increased responsibilities of political office. TV was not much of a factor back in the 1950's and maybe we were better off without it. Regardless, a 25 or 30% turnout is not a majority approval of any candidate, issue or a mandate for change.

It is a sign of apathy reinforcing

the maxim that you get what you vote for or if you don't even bother to vote at all.

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Speaking at a fund raising event in Cleveland, Pres. Obama made the suggestion that all Americans eligible to vote should be compelled to vote. He claimed it would reduce the influence of money on elections.

Considering the source this is possibly true. Only problem might be that this could open the floodgates to an even larger part of our population living on government welfare.

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If all goes accordingly to plan, the remodeled Hotel Northland will again be the central attraction in downtown Green Bay. It is a treasure worth preserving, and should be a catalyst to revive the area.

We assume the developers have done their homework. Borrowing \$40-50 Million to update a 90 year hotel with 160 rooms could be considered a risky investment. Interest alone will be substantial along with the army of employees they will require to operate.

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If Congressmen or Senators are not re-elected or just decide to retire they can always get a job as a lobbyist. The pay is probably even a lot better without the public scrutiny.

Lobbying is a \$3 Billion industry in Washington with 12,000 registered lobbyists with exclusive access to the people elected by us to represent our interests and concerns.

While much of these lobbyist expenses may come from business and social interests in efforts to influence legislation which legitimately concerns them, it is hard to imagine past or potential political contributions not being mentioned as part of the conversation. That's the way things work.

We also wonder if contribution's we make to all the groups constantly seeking money to fight hot button issues simply end up in lobbyists pockets

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Citing it would save the state money prosecuting people currently using and selling the stuff, Wisconsin Legislator Melissa Sargent has introduced a

bill to legalize the use of marijuana in Wisconsin for medical and recreational purposes. Ms. Sargent is a Democrat representing the 48th District from Madison. What does recreational mean?

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President Obama has taken steps to renew diplomatic relations with Cuba and Iran. It would appear that this would be of great advantage to the entire world, especially the citizens of those countries.

It has been obvious however, that these countries, more specifically their leaders, historically cannot be trusted to behave like other nations.

Would the President try to make some deal with North Korea before he leaves office? We could trade one of our old aircraft carriers if they would allow tourists.

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On March 30, the City of Chicago recorded it's 355th shooting incident and 80th murder of the year. An increase of 40% over last year at this time. This despite some of the most restrictive gun laws in the country.

Mayor Emanuel and Police Supt. McCarthy blame the ease of obtaining handguns for the problem, especially from states like Wisconsin.

If this logic was valid, it would seem that Wisconsin would have a far greater problem with handguns than Chicago ever imagined. Their problem seems to be that they haven't quite outgrown the reputation they earned during the 1920's.

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Illinois has other problems of their own making to resolve. Calling it legalized corruption, Taxpayers United of America reports that over 12,000 state government retirees receive over \$100,000 annual salary with 200 making over \$200,000. These benefits were all added by contracts through the years with little thought as to where the money would be coming from. Now they are trying to figure out where;

One proposal is for an additional 1% sales tax on candy and soft drinks. [This could just make the young pay sooner than later.]

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The nations prisons have become a major industry supported by and very expensive to taxpayers.

For some reason or other, the U.S. has more people locked up in prisons than any other country in the world. We have a quarter of the worlds prison population but only 5% of the population. While the problem could simply be that we have far more laws to break than other less civilized countries, so far the solution is to build more prisons.

As of April 30, Wisconsin's 27 prisons held over 22,000 inmates in facilities which were originally designed to hold about 15,000. This doesn't count those held in county and local jails on lesser charges. We seem to have a problem, that doesn't qualify for budget cuts as much as rethinking some of our laws.

Most of us seem to agree that drug law violators should be punished, but they are probably the biggest part of the problem. Some crimes and the danger to society of the people who commit them could be more of a sentencing factor. New prisons are very expensive to build and operate.

Right or wrong it is likely difficult for inmates to adjust to society after release under any circumstances.

Perhaps someday someone will come up with a way to make us all perfect.

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We realize that Gov. Walkers policies and actions have not been popular with everyone. The same is true with his predecessor, Gov. Doyle, who had a different political philosophy. They both give top priority to the state and people, and deserve our respect. Being Governor can be a responsible but thankless job.

Unfortunately threats of violence against public officials has become more common in recent years, often as objection or reprisal to policies and legislation. Gov Walker has received more than his share. As Governor he makes frequent public appearances, and is considered a possible presidential candidate.

While the media has been busy criticizing the Governor for anything they can, times are different and

security of the Governor is more of an issue. We are sure that if circumstances lead to fundraising and campaign appearances the Governor is well aware of the dangers and legal requirements involved.

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If a white movie star were to donate \$25 Million to the United Negro College Fund you can be sure it would be front page news all over the country. The same goes for a \$100 Million gift to the New York Presbyterian Hospital, along with similar gifts to other public charities made each year. One certainly wouldn't refer to such civic minded donors as "evil," but that is how the Koch Bros. are usually pictured and described in the media. This in spite of the fact they and their various foundations have donated billions to medical research, the arts, and many other humanitarian causes for the betterment of all.

The Koch family owns the countries second largest private corporation with various industries employing about 60,000 workers.

Their status as the whipping boys for the Democratic party comes from the fact they also choose to support Republican candidates and organizations. However, political contributions account for only a small part of the money they give away each year.

We note that Warren Buffett, the nations second richest individual has donated to Obama's last campaign, so as Hillary Clinton might say, "What's the difference?"

Unfortunately electing a President has turned into a multi-billion dollar circus with super-rich interests footing the bill. We read that Mrs. Clinton already has \$2.5 Billion in the bank as a starter. While it is probably true that any donor expects something in return, the opposition is always quick to make accusations of "special interest money."

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A new report by the American Journal of Public Health rates Wisconsin and Green Bay high on the list for what they refer to as binge drinkers. While nothing to be proud of, this distinction comes as no surprise.

Our question is, what method-

ology was used in their research?

Did their experts go from door to door with a clipboard and calculator compiling statistics for comparison with the rest of the country, or did they draw their conclusions by taking the amount of alcohol distributed in a specific area through wholesalers divided by the population?

Not to tarnish our image as a good place to enjoy a drink, but there are many beer and liquor wholesalers located here who also supply neighboring counties. Add the thousands of thirsty visitors to Packer games and other events and you have a lot of drinking but it's not all Green Bay.

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The fuss still continues over imposing the voter ID law. Considering the anemic turnout in recent elections, it is difficult to realize what the problem is because only a small portion of the people bother to vote anyway.

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The Presidential election is still 18 months away, and the pollsters already trying to predict the results for us. Hypothetical results if this candidate ran against that one may make interesting reading but a lot can happen in 18 months. Some of these polls seem to be sponsored by the candidates or their backers in order to get the jump on the competition, and the knowledge the media will give them publicity if the results suit their interests.

While we acknowledge that most polls are reliable, a lot depends on the wording of the questions and the demographic mix of those questioned.

What is puzzling is how a poll of 1,000 or so people can speak for the entire state of Wisconsin? Either selected at random or by strict scientific methodology, it represents only one person speaking for about 6,000 others.

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The recent Supreme Court referendum allowing selection of the chief justice by vote of the other justices will probably not make much difference in how they operate. The only dissent seemed to come from the present Chief Shirley Abrahamson who at 81 may be retiring in a few years anyway.

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Some states allow their governor to appoint justices while others like Wisconsin use public elections.

Either system seems to have faults as we would understand that justices should be completely non-partisan in their decisions based on existing law and the States Constitution.

The way it works now it can be either a rubber stamp for the administration or voted to office by political interests with an anticipated payback.

In the meantime, Shirley can always appeal to the U.S. Supreme Court.

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It is estimated that costs at public universities have quadrupled in the past 35 years. Many of them, including Wisconsin, are claiming hardships and clamoring for more in spite of regular tuition and taxpayer subsidized increases through the years.

Most people seem to believe that spending money on education is the best preparation for the future, and we can agree. One problem may be it's not the only priority item facing our country. Just because education is regarded as important doesn't mean they don't have to budget their money.

One report claims that some schools have added large numbers of high-salaried administrators to their staffs. We do not know if this is a factor at Wisconsin, but do know that as a business school they should practice what they teach which is to make a profit, every person on a payroll should serve a useful function towards the overall success of the business.

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The UW-Madison claims they will be forced to trim 400 jobs from their payroll due to budget cuts. However majority of those jobs were presently vacant. It was not clear if those were new positions or how long they had been vacant.

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Gov. Walker's cuts in his proposed budget are drawing fire from friends and foes alike. He wanted to cut \$700,000 from the DNR to eliminate reimbursement to counties to remove road kill deer from roadsides.

This is a big deal in northern counties with limited funding and man-

power for the job. Leaving the job of disposal for nature to take care of is not always a good solution either.

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The Milwaukee County "John Doe" investigation seems to be getting further from accomplishing anything except spending taxpayer money and resources that could be better used on their more pressing issues.

A four page article in the May 4, "National Review" reinforces that this entire affair was strictly a politically motivated fishing expedition that so far has turned up empty handed.

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The weekly applications for unemployment benefits in April dropped to 262,000, the lowest since April, 2000, and the Labor Dept. claims this is an indication things are improving.

This may be true, but if the rate ever dropped to "0" it would be a far better sign for the economy.

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No doubt we will hear a lot of schemes to finance the economy in the months to come, along with a lot of promises of more things the government could be doing for us. Write them all down for referral in 2020.

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Someday there possibly will be changes made to the income tax system. A flat tax makes some sense as it could conceivably eliminate the thousands of pages of regulations that now muddy up the system.

Only problem could be that once people start losing their tax shelters and deductions, Congress would start putting them back in.

There has been talk of reducing or even eliminating the inheritance tax. The government has found it produces very little income while encouraging expensive problems with enforcement and collections.

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It seems that with every major election, when it is perceived the other party has gained some advantage in funding their campaigns there is talk of "campaign finance reform." "We must protect the people from the special interests that are buying our govern-

ment!" Advertising for next years election will require billions of dollars to be raised and you be sure a new generation of attack ads will appear.

While the present administration is all wrapped up in regulating our financial institutions, healthcare providers and personal politics maybe they should find a way to put the burden of proof on the media who profits from all the political advertising.

How about a ruling that states "All political advertising must be first approved by the opposing party for truthfulness and accuracy." Or better yet, a disclosure that "We do not take responsibility for this paid commercial, or statements made therein, and leave it to you, our viewers {listeners} to make your own conclusions."

You can tell a lot about a commercial if you know who sponsors and reinforcing existing laws requiring disclosure should be reinforced making it more clear who the sponsor is in a legible style of type.

Outright lies and suppositions about an opponent are not permitted anyplace else except political ads.

We read that the Oneida Nation is claiming ownership rights to various parcels of land on Green Bays west side.

While this could very well be in order, it is difficult to imagine any commercial development unless all clauses in the deeds and contracts are carefully checked and approved.

As usual, lots of things to wonder about.

Jim Frink

"Things That Make Us Wonder," consists of taxpayer related thoughts that occur to us from daily news events. We use reliable, published information and statistics. Some items are unimportant and probably not worth commenting about while others could easily be expanded to full length feature articles worthy of future study and action to protect our interests as taxpayers. We try to cover a wide variety of subjects in limited space and perhaps put a different spin on items from what you read in the papers or see on TV. We acknowledge that our perspective on some items in this column may be contrary to some of our readers. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments or suggestions are welcome for inclusion in future "TAX TIMES."

Sales Taxes: A Cancer or A Cure?

Marinette, Wisconsin, and Menominee, Michigan, are two similar sized cities divided by the Menominee River where it flows into the bay of Green Bay. The cities both grew when lumber was king, and developed successful retail centers attracting customers from miles around.

Good things don't always last forever, and as the lumber industry quieted down, other business' came to the area with varying success and to keep the economy going.

Fast track to the 1940's. WWII came to an end, and there was a built-up demand for both consumer goods and government infrastructure due to the war. Highways, bridges, airports, housing, were needed, and government services had to expand in order to keep up. I probably have this all wrong from a historical standpoint, but that is also the short period of time when there was a basic change in our society. From the slower family oriented culture of our founding fathers to the me first, government dependent attitude we see today.

Inflation, and the cost of government services also kept rising. The generations that had lived through the depression when people took care of each other rather than depending on government aid were over.

Also gone was the practice of government operating with a balanced budget. New sources of funding had to be found. This provided my first observation of a sales tax. Although it may not have been a new idea at the time, many states started using sales taxes to help solve their financial problems. As more states adapted this tax, it was not uncommon for people to drive to neighboring states to avoid paying it.

Michigan was one of earlier states to embrace a sales tax. Even though only at 3%, it included groceries and other essentials representing a considerable rise in the cost of living for UP residents. You can imagine what happened next. Since you can easily walk from Menominee to Marinette, guess where people went to shop? Unfortunately Michigan's law sacrificed much of Menominee's retail establishment, and Marinette store owners couldn't have been happier. This situation continued until 1962 when Wisconsin enacted it's own sales tax which leveled the playing field, but by then there were already many abandoned stores in Menominee and they are still recovering.

While this story may not present a compelling argument against a sales tax, it asks the question, how much of peoples income does it have to take in order to provide adequate services, and is the sales tax the fairest way to go?

We refer to the sales tax as a "cancer" because once it gets into the system, it will grow and is unlikely to ever go away. There are several examples of this. When the Wisconsin Legislature imposed the sales tax law in 1961, it was not greeted with open arms by business owners or their customers. Retailers were given the burden of determining what was taxed and what wasn't and even what customers qualified for exemptions and which didn't. It was started at 3%, only applied to items considered as luxury or discretionary, and was to be only temporary. In addition, retailers were allowed 2% of the tax collected with a month to file their returns.

It didn't take long for Wisconsin to realize they had a gold mine. The list of items subject to tax was soon expanded,

the tax was raised to 4.0% and then the present 5.0%, the dealer commission was reduced to 1/2%, and the time to submit to the state reduced to an average of 15 days or pay penalties. Considering this was a temporary 3.0% tax in the first place, is there any reason to really believe it has now reached its full potential?

In recent years we have heard talk of increasing the rate, taxing more items, additional segregated sales taxes for education or highways among others. We realize these are all worthy needs but there must be better options available.

Next is the issue what probably could be called "The son of Sales Tax." In 1969 the state allowed counties to "piggy-back" a .5% sales tax calling it property tax relief. We admit this covers a lot of ground. Also eventually added were the Brewer Stadium tax, local option hotel room taxes, resort area taxes and our very own Packer Stadium Tax. We know other areas are considering such taxes to fund local pet projects.

In some parts of the country the combination of state, local and county taxes already exceeds 10% plus another 10% for a hotel room and car rental if you are a visitor. This is the case in neighboring Illinois which has become one of the most bankrupt states in the country due in part because they had too much money to spend and then spent it.

In regards to "Property Tax Relief." This is a myth that only creates more and wasteful spending. We note that the average property taxes paid in 2014 in the 61 counties which had imposed the county tax was \$5.71 per thousand. It was only \$5.34 in counties without the tax. A difference of 37 cents per thousand more in counties with the tax. In addition residents of counties with the county tax paid an average of \$70.00 per capita on their purchases in the name of "Tax Relief."

In summary, we realize that good government requires money to operate, and that sales tax revenue is a major source. In Wisconsin it has become the second largest source of revenue accounting for 33% of proposed state spending. The downside is that it has become too easy, and costly to the economy and population to simply change a percentage point every time you want to spend more money as if there were no tomorrow.

Jim Frink—BCTA

"Politics is the gentle art of getting votes from the poor and campaign funds from the rich by promising to protect one from the other." . . . Oscar Ameringer

"Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." , , , Ronald Reagan

Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We want to encourage discussion and input on current issues of taxpayer interest and invite your comments or articles suitable for future "TAX TIMES." Please send them to the BCTA, P.O. Box 684, Green Bay, WI 54305-0684, or call Jim Frink at 336-6410. E-Mail BCTA@ExecPC.Com.

The TAX TIMES

Brown County Taxpayers Association
P. O. Box 684
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The TAX TIMES - May - June, 2015

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - May 21, 2015. BCTA Monthly Meeting. 12:00 Noon.
Speaker: Cullen Peltier. Director, Brown County
Communication System.

Thursday - June 18, 2015. BCTA Monthly Meeting. 12:00 Noon.
Program to be announced.

Thursday - July 16, 2015. BCTA Monthly Meeting. 12:00 Noon.
Program to be announced.

**NOTE: There will not be a June TAX TIMES. June meeting will be held
As scheduled above.**

**Public officials and candidates for public office are cordially invited
to attend any of our meetings and be recognized.**

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday
of each month, 12:00 Noon, at Tiletown Brewing Co. Annex, "TAP ROOM."

Meetings are open to the public.

**BCTA Members, their guests and other interested parties are welcome to attend
and participate in our open discussions.**

COST: \$8.00, Payable at meeting. Includes lunch, tax & tip.



May-June
2015

"The only difference between genius and stupidity is that genius has its limits." . . . Albert Einstein

"Don't confuse being 'soft' with seeing the other guy's point of view." . . . George H. W. Bush

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Write us at P. O. Box 684
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www.BCTaxpayers.Org
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