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# ◆ The TAX TIMES ◆

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## COUNTY BUDGET REVIEW

For next year the Brown County Budget is scheduled to increase spending by 4.65%. The spending goes from \$149,539,880 to \$156,497,745. As most of this money comes from our tax dollars paid to other governments (state and federal), the spending raised by levy on our homes is much lower. The levy dollar amount for the 1999 budget was \$50,966,568 and for 2000 is projected to be \$53,773.954, an increase of 4.26%. As the value of taxable buildings increase by 5.64% in the County, we will see a decrease in the tax rate and on a \$100,000 home a decrease of \$1.00 in taxes. This is a little deceiving because the \$100,000 home last year will be a higher priced home this year and therefore the homeowner will pay more taxes.

The increase in spending comes from many areas. (1) The cost of sending prisoners to other counties while our jail is constructed is only going up and is projected to increase by \$2,000,000 next year. (2) Bonding for the jail will increase our debt and therefore debt payments by about \$1.3 million. Keep in mind that only one bid was received for jail construction, however it was based on a competitive bid process meaning we received a competitive bid. (3) A new County-wide communications center will start up next year and for the first time allow communications to all agencies within the county. This is indeed a plus in safety for all residents. (4) The new library in the Howard/Suamico area will start up in the spring of 2000 and appropriate costs are included in the budget. (5) Increases in health care costs of about \$2.4 million are in the 2000 budget and the County will need to take a serious look at how these cost can be controlled. (6) A \$1.1 million increase in operational costs for the Mental Health Center also ends up on our levy. In summary, the increased costs associated with manning County government are reasonable considering the jail situation and the other new items in the budget.

The budget doesn't include any funding for jail staffing and the plan is to pay the required personnel from the general fund. My review of jail staffing indicates the plan submitted by the Sheriff is a good one. One item of note that doesn't jump out in the numbers is the plan to clean the offices in courthouse square. Rather than a contract cleaning service as in the past, the County will be hiring its own employees. This is at a cost of \$27,000 per employee in wages and benefits. I believe this is an expensive way to get the job done. It also represents a major policy change in how work is being done. We will have a copy of the proposed budget at our November and December meetings if there are any specific items anyone would like to discuss.

The County Board met to finalize the Budget on Monday, November 8th, and time for input from the public was provided.

**Brown County Taxpayers Association**

*Frank S. Bennett Jr.*, President

**The BROWN COUNTY TAXPAYERS ASSOCIATION**

Monday, November 22, 1999

Editor, The "TAX TIMES"  
C/O Brown County Taxpayers Association  
P.O. Box 684  
Green Bay, Wisconsin 54305-0684

Dear Taxpayers:

Recently the Governor signed the budget, and following the usual course of events, he sent the legislators a veto message to explain why he did or did not veto sections of the budget. I want to make you aware of part of this veto message.

In his veto message, the Governor stated:

*"The combination of the structural deficit and these additional pressures means that we would need to have revenue growth of approximately 8% in the first year of the next biennium in order to fund our commitments and the unavoidable pressures we face under the bill as passed.*

*I believe that, in its zeal to be responsive to many different demands, the Legislature has been too ambitious in increasing GPR spending by 6.3% and 7.4% in fiscal year 1999-2000 and fiscal year 2000-2001, respectively. While the budget that passed is balanced in both fiscal years, the ending balance of \$117.8 million in fiscal year 2000-2001 is just \$5 million above the required 1% reserve. It will be extremely difficult to continue current programs in the next budget given the structural imbalance and the very limited imbalance overall."*

Can you see where I'm going with this? In his very own veto message, he states that we have a problem with spending, and that the Legislature should have done better. On that point I couldn't agree with him more. But, the question you have to ask yourself is "Then why didn't he veto more of the spending?". The Governor has one of the most powerful veto pens in the country. He could potentially have vetoed all of the spending above what his original, already oversized budget included. I sent him a letter requesting he do just that. It would have been a bold, decisive, possibly even an unpopular move. But, that type of move is exactly what Wisconsin needs in order to get us off the list of highest taxed states in the nation.

Wisconsin taxpayers need to limit our spending increase at all levels of government to the rate of inflation plus population growth. I personally would like to cut our bloated government. But, simply keeping spending increases closer to inflationary will leave billions of dollars in taxpayers pockets over the next few years.

Sincerely,

**Frank G. Lasee**  
State Representative  
2<sup>nd</sup> Assembly District  
FGL/kah

### Voters Support a 5%+ CUT in Federal Spending.

As the budget drama between President Clinton and Congress was nearing its final act, a scientific national opinion survey showed an overwhelming majority of voters would applaud a reduction in federal spending of 5% or more - far greater than the 1% across-the-board spending cut that has recently become a bone of contention in Washington. The findings were presented to policymakers by National

Taxpayers Union (NTU), America's largest and oldest taxpayer organization.

"Washington's wailing over a 1% budget cut doesn't meet the straight-face test," said NTU Vice President for Communications Pete Sepp. The administration and big-spending allies in Congress may think a 1% reduction slices into the bone and muscle of the federal budget, but hard-working Americans know budget fat when they see it."

National Taxpayers Union is a non-profit, non-partisan citizen organization working for lower taxes, less wasteful spending, taxpayer rights, and accountable government at all levels.

### A Solution to Tax-Rate Confusion.

One frustration for taxpayers is that talk of lower property tax rates is often followed by a bigger tax bill. As property values rise, more tax revenue is often generated with the same or even a lower tax rate.

A new Minnesota law requires cities and counties to certify the tax rate resulting from the current year's property assessments and the prior year's tax levy. If a higher tax rate is sought, the governing body must pass a resolution approving the new rate at a public meeting. This gives taxpayers a chance to influence tax policy and provides a tool for comparing changes in the annual property tax burden. **(Minnesota Taxpayers**

"In our brief history, we have shot four of our presidents, worried five of them to death, impeached one and hounded another out of office. And when all else fails, we hold an election and assassinate their character."

. . . P. J. O'Rourke

"Great men are not chosen president, firstly, because great men are rare in politics. Secondly, because the method of choice does not bring them to the top; thirdly, because they are not, in quiet times, absolutely necessary."

. . . James Bryce, English Historian, 1888

"Politics is not an exact science."

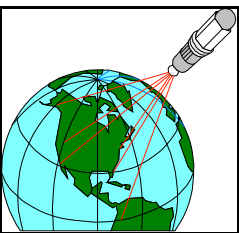
## Taxes and The Internet.

### Where Do We Go From Here?

Recently there has been renewed interest from Washington (and elsewhere) for imposing taxes on the internet, and retail sales made over the internet. No doubt the size and success of this new technological phenomenon is very attractive to politicians looking for new ways to fund their spending schemes although there seems to be a number of other factors involved. As President Reagan is quoted as saying, "If it moves, someone will propose putting a tax on it."

A group of 20 consumer, taxpayer, and public policy organizations has formed as the "e-Freedom Coalition" and presented its plan to the "federal Advisory Commission on Electronic Commerce."

Their basic concern is that proposed taxes and regulations could very well jeopardize America's economic growth. They claim that some studies show that up to 30% of economic output can be attributed to high-tech, with the internet at its core.



Specifically, they propose a permanent ban on sales and use taxes *specifically* applying to online commerce. Schemes to tax

internet access fees imposed by providers, and internet toll fees are also targeted.

However, it still appears one of the primary problems is making sales of goods over the internet subject to the various existing state sales taxes. The same as if you order something over the telephone or through a mail order catalog.

It seems that congress, encouraged by the nations governors who seek extra revenue and perhaps certain business's claiming unfair competition is attempting to pass legislation on the federal level that would make it mandatory to collect and report sales taxes to the various states in which merchandise is sold and shipped. At present, the system is rather loose and voluntary

Plain and simple, there are just too many state and local sales tax laws for anyone but the most sophisticated retailer to cope with and remain in business if they intend to compete on a national basis.

It has been reported there are over 700,000 business's selling over the internet, and obviously some are better equipped to cope with the situation than others. Proponents of more taxation have even suggested using private contractors to collect and administer sales taxes, but this could lead to huge costs to the consumer.

**The reality is that there are already ample state and federal laws in place that should cover the situation.** Although there are undoubtedly a lot of loopholes that are being utilized, it does seem to work quite well for consumers like you and me. Accepting the fact that sales taxes have been in force throughout the country for many years, and in most states rank at or near the top as a source of revenue, we call attention to a number of facts:

**#1** - Probably in all states with sales tax, a retailer is required to have some type of "sellers permit" if they make sales subject to their laws. This registers them into the system and assures compliance. Reporting of sales tax revenue is required and penalties for non-compliance are severe.

**#2** - In most states, if your business has a retail establishment or even a single sales office, you are required to charge applicable sales tax on orders shipped to all customers in that state. It goes without saying that sales in your own state are subject to tax.

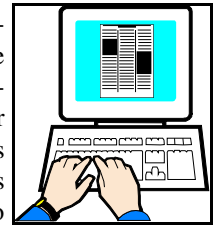
**#3** - Most states have "Use Tax" laws. whereby you are asked to report and remit sales tax to your state on any purchases you may have made either through the mail or otherwise on which you did not pay sales taxes. In case you forget this, there is a line on the Wisconsin Income Tax return for your convenience in reporting. In other words, if you make a purchase through the mail or the internet, are not charged sales tax on your purchase, and do not report the applicable "use tax" to the Dept. of Revenue, you are more then likely breaking the law.

**#4** - Several states, including Wisconsin, have been making strong efforts to compel out of state retailers collect and report sales taxes on purchases made by their residents. Many of the larger catalog sales companies are already beginning to report tax to various states on a volunteer basis, or due to harassment from certain states when the amount to be collected is substantial.

(Mail order sales of computers for example.)

Lack of enforcement of laws already on the books is costly to all of us. It would seem that in view of points 1-4, above, there are sufficient regulations in force to protect the states source of sales tax revenues irregardless of whether merchandise is ordered through the mail, telephone, internet or whatever. We definitely don't endorse any plan to make sales tax collections mandatory, and are also skeptical of any plans for a national sales tax which we keep hearing about.

Undoubtedly there are other schemes for raising tax revenues from internet users which we will be hearing about as time goes on. Unfortunately it is too plump of a target to ignore. For example, it has been noted that internet users in effect are making long distance phone calls through a local number, and should be paying more taxes accordingly. One big concern is that any privacy you do have would be compromised by making your internet connections known. Sales taxes applicable only to internet sales have been proposed, as well as exempting internet transactions from sales taxes. It would seem the same rules should apply to all businesses.



The Brown County Taxpayers Association notes that many of our members use the internet for a number of personal and business reasons. We have formed a committee to study the proposals of the e-Freedom coalition and will keep you informed. You can mail them directly at [www.e-Freedom.org](http://www.e-Freedom.org). for additional information. It might also be a good idea to let your state and national elected officials know of your concerns.

Like anything else coming out of big government, this smells like something which could create more problems than it will solve, and is the type of affair which makes Washington lawyers and lobbyists rich and our poli-

"A nickel ain't worth a dime anymore." . . . Yogi Berra





**THINGS THAT MAKE US WONDER.**

Two things that seem obvious are that downtown Green Bay will require a lot more parking space to accommodate the new convention center and all of the other attractions on the drawing board. However, some of us presently don't necessarily patronize the area claiming pay parking or inconvenience caused by the meters as reasons. We agree the price is still a bargain, but new facilities on the drawing board could cost well in excess of \$10,000 per parking space which would probably be impossible to finance at present rates. Who designs these things, Donald Trump?

Would political campaign financing reform be an easier sell if all of the slick professional advertising agencies were not part of the equation? Also, the newspapers and other media, for whatever reasons, have charged a higher rate for political advertising than for commercial business ads. Don't know how much of a factor this is in campaign budgeting but it can eat up a lot of money in a hurry.

It seems unfortunate that many people take polls seriously without questioning the source or methodology. Example: A recent local telephone poll, publicized with newspaper headlines, named Bill Clinton as the *MOST* influential person of the 20<sup>th</sup> century with his impeachment trial as the 4<sup>th</sup> most important event of the past 100 years. Wow! The pollsters, claimed only a 4.8% margin of error.

Why doesn't the state of Wisconsin simply admit that taxes are too high and just lower the rates if they do, indeed, have a surplus in the treasury? Any scheme to furnish rebates likely involves giving money to someone other than from whom it was taken. This would be strictly illegal in the case of a business. Imagine the fury if customers claimed they were overcharged, but rebates were given to someone else. It appears possible that some taxpayers will receive rebates in excess of what they paid in taxes.

On a similar subject, vultures are climbing on the Microsoft case bandwagon claiming they were overcharged on their

purchases. If there would be any settlement, how much do you think the purchasers will receive after the various states and attorneys get their cut?

Notice that the politicians positioning themselves for next years elections are busy claiming credit for making our presently booming economy possible. Maybe so, but I always believed the economy could take care of itself *in spite* of what Madison and Washington do to "help" it. Agree?

Interesting how a small handful of citizens were able to effect budget cuts at the recent meeting in the Town of Bellevue. Normally this is merely a rubber stamp approval with ample chance for citizens to have made their feelings known to their elected officials prior to that time. Unfortunately, most of us probably don't pay attention to what is going on until it is too late. It was, however, a good example of what active citizens can do.

Probably a sign of the times, that a notice of a public forum to discuss urban sprawl concerns in Brown County has to include a map showing the location of the meeting on the sprawling UWGB campus.

When you see advertising completely camouflaging our city buses as a means of revenue enhancement, you wonder what will be next. How about garbage trucks, police cars, or the backs of stop signs.

When will all of the big spending schemes end? Just today, the President announces a plan to pay for extended personal leaves of absence for certain employees from states unemployment reserves. He possibly doesn't realize that mandated unemployment insurance represents a rather large expense for most employers which is passed on to their customers along with all of the other expenses imposed by big government. Just because unemployment is rather low at present doesn't mean it won't be a problem next year or the year after. Once a giveaway pro-

gram is initiated, you live with it forever.

Difficult to comprehend how the Wis. Dept. of Transportation could seriously propose doling out large amounts of money to people for not driving their cars, and in some cases, not even owning an automobile. The idea was to get them off the hook for their job which is building highways. Can see the future is full of problems for the DOT, but they must have better ideas than that. What next- how about paying parents not to have children in order to save on school costs.

While promoters are eagerly anticipating larger crowds attending events at the new arena when it goes on line, will the economic benefit to the community be that much greater than the money that leaves the money that leaves town in the hands of the entertainment. Have any of the "impact studies" promoting the arena ever established figures

**Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We 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, or Frink@ExecPc.Com.**

**Send a Message to The Government!**

The federal Advisory Commission on Electronic Commerce is now studying the proposed Internet tax collection scheme covered in the article on page 3 of this "TAX TIMES." By law they must accept comments from the public. Take a moment to send a message to tell the Commission that you **OPPOSE A NEW TAX COLLECTION SCHEME FOR THE INTERNET.**

Send your E-mail to: [comments@ecommercecommission.org](mailto:comments@ecommercecommission.org)  
Comments are being tallied and results distributed to individual commissioners.

## MEMBERSHIP RENEWALS.

Believe it or not, another year has passed and we have mailed our first group of membership renewal notices.

Even though our fiscal years begins October 1, we mail these statements on or about the time you first became a member of the Brown County Taxpayers Association. This eliminates pro-rating problems and also makes us control our spending.

We are also happy to advise that our dues have remained the same for the 15 years or so that we have existed. \$12.00 for an individual member which equates to a dollar a month in your behalf. Also, \$20.00 for a family membership and \$25.00 for a business or corporate membership. However, we are strictly a volunteer group and needless to say, additional contributions are always appreciated.

Our largest expense is the printing and mailing of our monthly "TAX TIMES." We hope you find it interesting and informative. This is mailed to the media, local and state elected officials, other Wisconsin taxpayers organizations as well as our membership. We encourage anyone interested to submit materials for publication. Other items are meetings, associate memberships and information, membership solicitation and expenses of our website, [www.BCTAxpayers.Org](http://www.BCTAxpayers.Org). We would like to believe we are setting an example for government by keeping our expenses in line with our income rather than the other way around.

This is your organization, and appreciate that many of our members have supported us since we organized in 1986. We acknowledge that you as taxpayers have varying ideas of what a group such as the BCTA should be accomplishing, and welcome your suggestions and assistance. We are not a lobbying organization and try not to promote any agenda except "Fiscal Responsibility in Government" -- the best use of your tax dollars.

Again, thank you for your support. If there is any question regarding your dues billing or membership, please call me at 336-6410, or E-mail me at [Frink@ExecPC.com](mailto:Frink@ExecPC.com).

## December Meeting Notes.

### DNR Explains Land Purchasing Policy.

Meeting held 18, 1999, at the Days Inn.

Jeff Pagels, Department of Natural Resources (DNR) Regional Outreach Director, discussed the strategies he employs as he coordinates land purchases for the DNR Stewardship Program in Northeast Wisconsin.

First, he explained that although some taxpayers have the idea that they are his boss, his real boss are his supervisor at the DNR. He buys land for recreational purposes. While some citizens are concerned about land being removed from the tax rolls, he believes that we can't get enough public land. He doesn't think that all land should be developed. He commented that some provisions in the new state budget will make it more difficult to give money to cities in the future.

Mr. Pagels noted that the Mountain Bay Trail, purchased for \$240,000 from the railroad, has had a fiber optic easement sold that will bring in \$800,000. He explained that land valuation can be controversial, as in the Baird's Creek Parkway land purchase. He stated that the DNR is concerned about protecting property owners rights in negotiations. He asked for support for the next Baird's Creek purchase, \$350,000 for the Basten property. Taking advantage of the generosity of the Leichts' property donation on the west bank of the Fox River, he will be able to provide the full \$350,000 for the Basten property purchase from the Stewardship Program, without any cash outlay from the City of Green Bay.

When questioned about the \$350,000 purchase price compared to he current assessed valuation of about \$50,000 for the Basten Property, Mr. Pagels explained that it is not uncommon for appraisals to differ widely from assessed valuations and that such differences do not greatly influence the DNR's decisions.

Ronald Kazmierczak, DNR Regional Manager, outlined the three-year restructuring the DNR has gone through. DNR operations are now organized by river basins instead of by counties. The DNR's goal is to have 85 percent of its

services available at regional service centers. Resources are being combined to maximize output. Eliminating 240 positions to save \$44 million, the cuts were handled mainly through normal attrition, with no layoffs and no forced moves. Supervisory layers were reduced, providing 206 of the position eliminations. Dispersing its resources, the DNR relocated 142 positions from Madison to the field.

Mike Riley of Taxpayers Network, Inc., spoke about the E-Freedom Coalition's proposals to make the Internet more accessible, to keep taxes on the Internet low, and to protect consumers' privacy.

The Directors elected the following officers to serve during the 1999-2000 BCTA fiscal year.

President - Frank Bennett

1st Vice-President - Richard Parins

2nd Vice-President - Gerald Slavik

Treasurer - James Frink

Secretary - David Nelson

The next BCTA meeting is scheduled for Thursday, December 16, at the Days Inn, and will cover planning of activities for the year 2000.

**David Nelson - Secretary**

## What Do BCTA Members Feel is Most Important?

The next meeting is scheduled for Thursday, Feb. 16 at the Days Inn-Downtown, and will feature discussion and setting priorities for BCTA activities in the coming year. All directors and interested members are asked to attend as this will be a very important meeting. What do you think we should focus our

## Tax Amnesty Fails?

When the legislature enacted a state tax amnesty last year, it was hoped it would boost tax collections by \$40 million. Final figures from the state Dept. of Revenue show collections (\$30.1 million) fell short. The net result could even be nil because future collections will be reduced due to accelerated delinquent payments.

Source: Wisconsin Taxpayer Alliance.

"You don't make the poor richer by making the rich poorer."

. . . Winston Churchill

"When in doubt, do what's right."

## **BCTA Meeting and Events Schedule.**

**Thursday - December 16, 1999 - DAYS INN, Downtown  
12:00 Noon - Whitney Room, Monthly Meeting.  
“What Issues Do Our Members Feel Most  
Important?”** Discussion meeting to establish  
priorities for BCTA involvement and activities for  
the coming year. All members and interested persons  
are invited to attend and participate.

**Thursday - January 20, 2000 - Monthly BCTA Meeting.**

**Thursday - February 17, 2000 - Monthly BCTA Meeting.**

*All members of the BCTA, their guests and other interested persons  
are cordially invited to attend and participate in these open meetings.  
Reservations are appreciated.*

*Phone 499-0768 or 336-6410 for information or leave message.*

*Regular monthly meetings are held on the third Thursday of each month.*

*Price, \$6.50 per meeting. Includes meal. (Payable at door.)*

**CHECK OUT OUR WEBSITE! [www.BCTAxpayers.Org](http://www.BCTAxpayers.Org).**



## DECEMBER, 1999

“The accomplice to the crime of corruption is frequently our own indifference.” . . . **Bess Myerson**  
“I have never been hurt by anything

**SUPPORT THE BCTA  
New Members are always  
welcome.**

**Call 336-6410 or 499-0788**

**Write us at P. O. Box 684**

**or visit our website**

**[www.BCTAxpayers.Org](http://www.BCTAxpayers.Org).**

**for Details.**

## The TAX TIMES

**Brown County Taxpayers Association**

**P. O. Box 684**

**Green Bay, WI 54305-0684**

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