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# ◊ The TAX TIMES ◊

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April, 2001

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## WHAT ABOUT NWTC?

NWTC is a good school. The technical college trains many students for better paying jobs and also teaches adult students new skills. The staff is top notch and the placement of graduates is very high. Community involvement is very high with all of the advisory committees. We are fortunate to have a school of such quality in our community.

The cost for this service is increasing every year. My tax bill for NWTC this year indicates a 6.5% increase in Brown County and a 25.1% in Oconto County. This is in addition to increases over the past four years averaging about triple the rate of inflation. The number of high school graduates and adult students served during this time is also up dramatically. The school is now requesting \$46.6 million for expansion. This item is on the April ballot and is important. A yes vote will add about \$22 to the tax bill for a \$100,000 home. It will mean about a 20% increase for me when added to the annual increase the school typically asks for.

When I listen to the data put out by the school I am impressed by the numbers of graduates and the number of people served. I know serving the public is a high priority today as it was when I served as an Associate Dean in 1995. In the early 90's the school served the public with cost increases below the rate of inflation and then suddenly took off. Here is more of the story.

In 1995 it was necessary to have 12 students to have a class. This number is important, as the students will pay for a major cost of the class. As the minimum number decreases, more class sessions will be presented and more students will be able to take a class. This will also mean more instructor time. The minimum number is now 8. This increases the cost to the taxpayer and we see increases in our property tax bills.

The biggest cost in running the school is cost of the instructors. This is true in most school budgets. The policy for paying the instructors then becomes a major issue in determining the cost of instruction. During the last contract negotiations a few changes in instructor pay became effective. The number of teaching hours to define a full load is now 20. In addition, any teaching time above that number of hours will be compensated at 125% times the hourly rate for the instructor. Another definition to affect the cost of teaching is a maximum number of students per class. This number was set at 15, and compensation based on this number. For example, an instructor who would teach 15 students at Green Bay, another 15 in Sturgeon Bay, and another 15 in Marinette all at the same time due to the fiber optic hookup, would be compensated at 300% of their hourly rate.

It does take more instructor time to grade papers and respond to individual needs, but 300%? There are 13 instructors at NWTC who earned over \$100,000 last year.

With the recent changes in policy it is easy to see why costs are accelerating at NWTC. With their recent request for \$46.6 million it is easy for me to vote NO.

We need to have the taxpayer play a bigger role in the decision making process at NWTC. Please vote and do so as an informed citizen.

**Brown County Taxpayers Association**

*Frank S. Bennett Jr.* President

**The BROWN COUNTY TAXPAYERS ASSOCIATION**  
Promoting Fiscal Responsibility in Government

Press Release

**Brown County Taxpayers Association**

March 20, 2001

For immediate release

Information: Call John Gower (920) 846-3261, or Tom Sladek (920) 499-7701

**Taxpayer Association Says "No" on NWTC Property Tax Hike**

Citing inappropriate timing and a lack of compelling need for the project, the Board of Directors of the Brown County Taxpayers Association voted unanimously to oppose the upcoming NWTC property tax increase referendum.

Regarding timing, the BCTA pointed to a binge of recent building projects which have strapped taxpayers with unprecedented debt service taxes. Among these are numerous high-cost school building projects, the Packer stadium, a new arena and convention center, and a new jail. Said BCTA spokesperson John Gower: "On top of the jail, arena, Packer stadium and new school projects, taxpayers just took an increase in the gas tax, and soon may face attempts to raise county property taxes as Brown County bumps up against tax levy limits. Plus, water bills are going to soar as a new water system is built. When you couple all that with record high utility bills, there couldn't be a worse time for NWTC to be proposing a tax increase. This is a project that can wait ten or twelve years until this mountain of debt is reduced."

Calling NWTC "a real asset to the community, one which will continue to contribute in many, many ways", Gower went on to say the college "has not put forth a compelling need to expand at this time. A handful of employers and trade unions are looking for expanded training programs, and that's not a compelling reason for an increase in property taxes. Where are the capital contributions of the parties who are clamoring for expansion?"

"We like NWTC", said Gower, "and without this tax increase, NWTC will continue to provide the region with fine learning and training opportunities just as it does today."

**The Brown County Taxpayers Association is a non-partisan, non-profit organization founded in 1986 to advocate fiscal responsibility in government on behalf of Brown County residents. The Association seeks to fulfill its mission through research, citizen education and direct engagement of government officials.**

**BCTA To Receive Libertarian Party Award.**

Each year the Libertarian Party of Wisconsin, which is headquartered in Milwaukee, honors a Wisconsin group or individual whom they feel has done an outstanding job of promoting freedom, the free market and taxpayers rights.

This year the award will be presented to the Brown County Taxpayers Association for the effort made to defeat the proposed county sales tax for Lambeau Field renovations.

The presentation will be made by party chairman Bob Collison at the next BCTA meeting scheduled for April 19, at the Glory Years. Details on back cover of this "TAX TIMES."

**Wisconsin Gas Tax Going Up Again.**

Recall last summer when the price of gasoline was rising out of sight, and some of our elected officials actually proposed reducing both the federal and state gas taxes, realizing that could be part of the problem. Well, everyone is now used to higher prices, so the state is going ahead with their plan to raise pump prices 9/10 of a cent effective April 1, to a total state tax of 27.3 cents per gallon.

If you use the Excel gas tax calculator from the BCTA website **BCTAxpayers.org** to track your gasoline expenses, you simply have to change the formula in cell F4 from .264 to .273. However, this will change the tax on purchases to date, so it may be easier to re-enter the worksheet for purchases from April 1, on. You can also contact Jim Smith at **JSmith51@MilwPC.Com** with questions on the formula. These calculators are an interesting way to track your gasoline and sales tax purchases and we suggest you give them a try.

## BCTA 2001 Survey Results.

Following are results of our membership survey sent with the February "TAX TIMES". This information will be used during the following year to determine our activity priorities as well as reflecting the views and opinions of our members on various items of taxpayer concern. Participation was voluntary, covered a variety of subjects, and did not ask respondents to identify themselves. Nearly a third of our members took the time to complete and return the questionnaire, and in view of similar surveys by other organizations, we believe this gives us a fairly accurate representation.

**City, County, School Budgets Top Concern.** The first question of the survey listed a number of local issues in no particular order. We asked that you prioritize the top 5 issues that the BCTA as an organization should be most concerned with during the following year. It was interesting to note that of the 12 items listed, all received a certain amount of interest, indicating the many items of concern and that each of us has different priorities as to the spending of tax dollars. Following are the percentages of each item listed as one of the top five items by survey participants. Those receiving the most concern are listed first with the percentage of top five respondents indicated.

Other items listed as top concerns were NWTC teachers contracts, the increasing size and spending of government at all levels, attempts to government units to "By-Pass" spending caps, and removal of county systems such as the library from the state-imposed spending caps.

**Leave County Board at 24 members.** We stated that the 2000 census results will require some redistricting on the Brown County Board. As the population of Brown County grows, and supervisors assume more responsibility, would you favor, keeping the board at the present 24 members, going to 30 members, or going to 36 members. *(Remember the controversy when it was lowered from 44 to 24 members several years ago.)*

Apparently most agree that the present number of 24 is satisfactory as 61% said it should remain with the present number or less, 27% suggested going to 30 members, and only 12% would have it at 36 members.

**Limiting spending to cost of living index and across the board spending cuts best ways to balance local and state budgets.** In response to the question "When looking at ways to balance local and state

budgets, the methods I like best are: (Indicate your top three choices.) Following are the responses listed in order of popularity. (Nobody chose higher income or sales taxes.)

<b>Limit Spending to Cost of Living Index</b>	<b>23.3%</b>
<b>Across the Board Spending Cuts</b>	<b>21.2%</b>
<b>Cut Selected Programs to Reduce Spending</b>	<b>16.4%</b>
<b>Demand A Fair Share of Federal Funds</b>	<b>13.0%</b>
<b>Index Spending to Current Taxes</b>	<b>10.3%</b>
<b>Elimination of State/Federal Mandates</b>	<b>10.3%</b>
<b>Higher User Fees and Toll Roads</b>	<b>5.5%</b>
<b>Increase Taxes on Income</b>	<b>0.0%</b>
<b>More or Higher Sales Taxes</b>	<b>0.0%</b>

Selling assets to raise cash, raising fees for golf and the zoo, and zero budgeting were also suggested. **CONTINUED** →



**Communities should cooperate more to provide water supply. Little support for sales tax or increased property taxes for county purposes, or NWTC referendum. Tax increases should be held to rate of inflation.** We asked a number of YES/NO questions on various local and state issues currently in the news. Responses are given by percentages.

Question	Yes	No
#1 - Do you support continuation of the state lottery?	48.9 %	51.1 %
#2 - Should there be more regulation of casino gambling?	73.6 %	26.4
#3 - Do you believe public financing should finance political campaigns? <i>Note: We didn't ask if campaign finance reform is in order, which we assume many of our members would support. We ask if this should be done with taxpayers money.</i>	17.0 %	83.0 %
#4 - Would you support an additional .5% sales tax for county purposes?	2.0 %	98.0 %
#5 - Would you support increasing the property tax for county purposes?	5.9 %	94.1 %
#6 - Should other counties and the state help pay more for Lambeau Field?	74.0 %	26.0 %
#7 - Should tax increases be held at the rate of inflation?	94.1 %	5.9 %
#8 - Do you support a tax increase for NWTC improvements?	15.9 %	84.1 %
#9 - Should a new welfare program be created to provide drugs for seniors? <i>Many BCTA members are senior citizens and they still think this is a bad idea.</i>	27.7 %	72.3%
#10 - Should a legislative supermajority (e.g. 2/3) be required to raise taxes?	90.2 %	9.8 %
#11 - Do you anticipate a slowdown of the economy with the next year?	85.4 %	14.6 %
#12 - Do you believe that Green Bay and surrounding communities should cooperate more to assure an adequate water supply for the future? <i>Future water supply too important for petty politics.</i>	96.1 %	3.9 %
#13 - Do you believe local governments could privatize more services? If yes, in what areas?	83.3 %	16.7 %

**Suggestions for areas that could be privatized.**

“Make Zoo self-funded and operated. Water, Police protection, emergency employees, Mental Health Center, waste disposal, more choice (vouchers) in public education, Privatize the golf course, snow removal, building maintenance, park maintenance, road construction and maintenance. and and all that are labor intensive except police and fire, or that would be more cost effective.” **Other ways to cut taxes.** “Increase rather than cut classroom sizes where possible. Reduce insurance benefits to those of the private sector. Sell the museum New libraries and other buildings don't have to be fancy. Eliminate or privatize the Mental Health Hospital. Too much state money wasted on parkways & recreation which could be better spent. Take a good look at qualifications for exempt organizations and make more of them pay user fees or even property taxes. Many of them seem to be quite wealth and compete with private business. We need big-time campaign finance reform. Too many campaign contributors receiving taxpayer benefits in exchange for campaign contributions. Less corporate welfare. “

To provide equity in the overall tax process, I believe a change to the following system would be in order. A flat tax on income-**56.9%**. A national sales (VAT) tax-**13.7%**. Indexing capital gains to inflation-**3.9%**. Stricter enforcement of existing laws and a crackdown on the “cash” economy-**11.9%**. Closer examination of tax loopholes-**7.8%**. Other-**5.8%**.

A “Taxpayer Bill of Rights” has been proposed for Wisconsin limiting state spending to the prior years plus an increase for population and inflation unless approved by referendum. Do you agree to this approach? Strongly agree-**54.9%**. Agree-**29.4%**. No opinion-**11.7%**. Disagree-**2%**. Strongly disagree-**2%**.

We want to give a big **THANK YOU** to everyone who took the time to complete and return this survey. It is obvious that careful consideration was given to your answers. This will be very helpful to your organization during the coming months.  
**Jim Frink - BCTA**

**Eight Good Reasons to Cut Taxes.** By David Boez, Cato Inst.

1. In a free country, money belongs to the people who earn it. The most fundamental reason to cut taxes is an understanding that wealth doesn't just happen, it has to be produced. And those who produce it have a right to keep it. We may agree to give up a portion of the wealth we create in order to pay for such public goods as national defense and a system of justice. But we don't give the government an unlimited claim on our money to use as it sees fit.

2. Private individuals and businesses use money more efficiently than governments do. People with their own money at risk spend or invest it carefully. You don't find many \$600 hammers or insolvent retirement programs in the private sector. Money will do more good for more people in private hands than in government hands.

3. High taxes discourage work and investment. Taxes create a "wedge" between what the employer pays and what the employee receives, so some jobs don't get created. High marginal tax rates also discourage people from working overtime or from making new investments. It's true, as some critics say, that our current marginal rates of 39.6 percent (somewhat higher when combined with other taxes) do not depress economic output as much as the 70 percent rates that taxpayers faced in 1980. But most economists now agree that a reduction in marginal tax rates will increase output to some degree.

4. Income taxes should be cut because the overall tax burden is quite high right now. As of the third quarter of 2000, federal revenues as a share of the gross domestic product hit a peacetime high of 20.8 percent. Prosperity has made Americans more accepting of the rising tax burden, but the current economic slowdown will make high taxes harder to bear.

5. If we don't cut taxes, Congress will spend the money. If one thing is certain in Washington, it is that Congress will spend every dollar it can get its hands n. Every interest group wants something--a road, a dam, a social program, more teachers, more policemen, more corporate welfare--and members of Congress want to be liked. The only way to "put the surplus in a lockbox" is to let the taxpayers keep it.

6. Lower taxes are the only real check on the expanding size and scope of the federal government. If we want smaller government, our best strategy is to reduce the amount of money Congress has to play with.

7. Elected officials should keep their promises. As a candidate, Bush promised to cut income taxes. As president, he should keep that promise.

8. For Bush and Republicans in Congress, this may be the most important reason of all: Republicans win when they cut taxes. Tax cuts unite the Republican base. The tax consumers in our society are well organized; the taxpayers need to be organized, too, around a tax cut program. In 1980, 1984 and 1988, Ronald Reagan and George Bush won three presidential elections by promising to cut taxes and then cutting them. George Bush raised taxes and lost the next election. I wager this is a lesson not lost on George W. Bush.

From the Cato Institute-Submitted by Mike Riley, TNI

**Support Legislation to Limit State Spending.** By Rep. Frank G. Lasee

By now, a bill to limit state spending increases has already passed the state Assembly, probably by a decisive margin, following a rancorous debate. The bill went through the committee (I chair the Tax and Spending Limitations Committee) on March 15, and was scheduled for the full Assembly the following Thursday.

Now, the bill will go on to the Senate, where it faces a much tougher opponent – Chuck Chvala, the Senate Majority Leader.

If this bill becomes law, it will accomplish one of our major goals – limiting growth in state spending. The bill limits state spending growth to the growth of personal income in our state. If that had been the law in 1999, we would be paying \$420 million less in taxes during this biennium.

The bill has been introduced three times in the past, and has passed the Assembly all three times, only to be stopped in the Senate, where, rather than stating their opposition clearly by actually voting the bill down, the Democratic leadership simply let the bill die without debate. We have to do whatever we can now to prevent that from happening. The support of only a few senators could make the difference between seeing this common-sense measure become law, and seeing it vanish again at the end of session.

I urge you to call your state senator and tell them to support Assembly Bill 1. In our area, the senators are Alan Lasee (608-266-3512), Robert Cowles (608-266-0484), and Dave Hansen (608-266-5670). Call them. Tell them to pass this bill.

Once you've done that, there's one other thing we all need to do, and that's to not give up. This is a good bill, a great start on the road to fiscal responsibility. That's all it is, though – a start. It's not the end. If the budget season proves anything, it's that everyone wants more money. Every program has its avid supporters, every spending cut will bring critics out into the open. Saying no to these people is too hard for some lawmakers, so we must continue our work. Don't let one success satisfy you. Don't stop until our government's spend-

"There's only one to kill capitalism - - by taxes, taxes, and more taxes."  
... Karl Marx

"Tax reform is taking the taxes off things that have been taxed in the past and putting taxes on things that haven't been taxed."  
... Art Buchwald

### Things That Make Us Wonder.

It is probably just a sign of the times that the top paid employee on the state payroll is the head football coach at the University of Wisconsin.

The experts say Brown County can save \$145,000 per year by trucking our recyclable waste down to Winnebago county rather than continue processing it here. If this is true, the recycling facility we paid \$3million or so to build a few years ago must be terribly inefficient. Any savings in county operations will be appreciated, but this sounds like another one of those foggy proposals with a lot of hidden costs after the deal is made.

The Wisconsin Taxpayers Alliance reports that personal taxes rose to \$36.80 per capita in 2000: up from \$35.40 in 1999. Every taxing authority is quick to point the finger at someone else, but remember that every time a referendum is approved authorizing a tax increase, (or new sales tax), the total you pay goes up.

While our protective minded lawmakers in Madison ponder legislation making seat belt use mandatory, why doesn't someone design a system that can be easily hooked up by a large person wearing heavy winter clothing. There also has to be an easier and more positive system for infant car seats. Design the equipment and then pass laws.

The new \$5.8million transit facility will probably help relieve downtown congestion but it remains to be seen if it improves the number of riders. It will take a lot of passengers to make such an investment pay off, and even though federal funds are involved, it is still our money. Wasn't this build on a site that was determined as too expensive and inconvenient for the new county jail?

If the proposed N'Sync concert became a reality, it would be interesting to know who benefits locally financially and by how much, and how much of our communities money would leave town

with the band.

~~Now that the Packers have a truly captive audience by virtue of the seat license fees, it will be interesting to see how long it takes before they announce ticket price increases for season ticket holders. In addition to the 10% surcharge the city of Green Bay already will be claiming.~~

~~Did you ever notice that when a politician proposes something of possible benefit for taxpayers they can inflate the amount and in the fine type spread it over a 5-year period of time (even though they may still not be in office then. If they don't like someone's proposal, the cost is inflated and becomes payable immediately.~~

While federal income tax cuts would certainly be welcome to most of us, one result could possibly be the removal of another rather large segment of the population from the obligation to pay federal income taxes altogether. Despite all the cries that tax cuts are benefiting the rich more than anyone else. Assuming these tax cuts would by no means be permanent, (they never are or have been), would it be an easy manner to place lower income people back on the tax rolls if or when a national emergency so dictates, or will an even smaller segment of the population be picking up the tab for everyone else?

Just wondering. **JF**

**Articles and opinions 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, editor at 336-6410. E-Mail - Frink@ExecPc.Com. [www/BCTAxpayers.ORG](http://www/BCTAxpayers.ORG)**

### March Meeting Notes. Directors Debate NWTC Referendum.

Regular monthly meeting held March 15, 2001 at the Glory Years. Called to order by 2ndVP Jerry Slavik..

Debate over the BCTA's position on the \$46.6 million NWTC referendum occupied most of the March meeting. The directors agreed that NWTC has earned an enviable reputation for delivering high quality technical education at what has appeared to be a reasonable cost. On the other hand, too many questions about the consequences of the referendum passing remain unanswered, especially in the areas of maintenance costs and future labor contract costs. It was noted that the most vocal proponents of the referendum to increase property taxes to pay for added NWTC facilities appear to be entities that do not pay property taxes. It was agreed that with the long list of referenda that have passed recently, increasing our property taxes significantly to pay for new school construction and other government facilities, taxpayers need a moratorium on referenda for construction of more government facilities.

Several directors explained that they were unable to see evidence that the NWTC facility expansions are so critical that they cannot be delayed for a few years until taxpayer can pay down some of the mountain of new debt that has already been created by other units of government. At the conclusion of the debate, the directors voted to oppose the NWTC referendum due to poor timing.

Jim Frink summarized the results of the recent BCTA membership survey. From the concerns of the members replying to the survey, the organization will focus upon city and county budgets, costs of school projects, public employee and teacher contracts, and cooperation to develop a regional water supply.

The next meeting is scheduled for April 19, 2001 at the Glory Years.

**David Nelson-Secretary**

"The politicians promises of yesterday are the taxes of today."

. . . **W. L. Mackenzie King**

## The Oneidas and the State of Wisconsin.

The Oneida Tribe's relationship to the State of Wisconsin is in quite a bind these days. Because they had refused to pay the state its agreed price of \$4.85 million, the state has threatened to not renew its compact, even if the payment is made. The Oneidas say they were not disputing the compact, but were "doing it according to the first (1991) agreement including the posting of \$4.85 million in an escrow account reserved for the state. The Oneidas argue that the second compact with the state negotiated in 1998 provided for specialized use of the money. It was to be partially used for tourism and development of business near the Oneidas, and general community improvement effecting positively the Oneidas.

In the past 2 years, the Oneidas declined to be part of the new water pipeline to Lake Michigan, and they also refused to agree to participate in collecting a hotel tax for the new arena and convention center in Green Bay. Possibly, if the state had allocated some of the \$4.85 million towards the Oneidas programs as anticipated, the Oneidas would have no recourse to say their funds were not properly distributed. Furthermore, local taxpayers would have a better opinion towards the Oneidas who could possibly be doing a better business than at present due to greater respectability.

What bothers me is that neither the State or the tribe appears to have the wisdom to negotiate their differences in the best interest of everyone. Wisconsin's governor felt that the money is the states and not the peoples, and not offered a plan to distribute some of it to northeastern Wisconsin. What are your thoughts.

**Woody Howland - BCTA**

"There is no worse tyranny than to force a man to pay for what he does not want merely because you think it would be good for him."

. . . **Robert Heinlein**

"Voters quickly forget what a man says."

. . . **Richard Nixon**

## Re-Apportionment, What Is It?

I sat down with Mike Parmentier of the Brown County Planning Agency to discuss re-apportionment and how it applies to the Brown County Board. Mike has experience in this area as he produced the plans after the 1990 census and will do the same this year.

On March 1, 2001, the Federal Census Bureau was to inform the states and local governments what their new population figures are. With this information, by law, re-apportionment of the county supervisory districts must take place. This is a procedure dictated and law and court cases that will be used by Brown County.

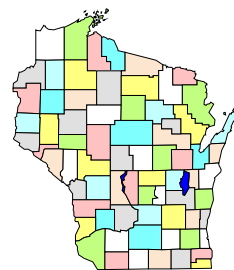
The executive committee of the Brown County Board will inform Mike as to the number of proposed supervisory districts they may look at and to give them several plans of each. The committee will review them and forward their recommendation to the full county board. The county currently has 24 supervisory districts so we can use that number for illustration purposes.

Mike will then take the new population figures of the county and divide it by the 24 districts to see what the average size of each should be. This average number is then applied to the present supervisory districts, and a comparison will be made between the numbers provided in the 1991 census versus the 2001 census to see which districts gained or lost population during the last 10 years. (Some preliminary figures show that the City of Green Bay may lost at least one and possibly two districts.)

The average then determines what is called "The Norm." Through a formula of past and present numbers, deviations are then computed to see what the range of malapportionment (unequal) is. The higher those percentages are, the more poorly those areas are proportioned. Past court cases indicate that any average deviation above 10% may be challenged and likely lost in court.

Next is the responsibility to make all 24 (or whatever number is determined) districts as equal as possible, population wise. In addition, it is necessary to keep the boundaries of each district as intact as possible, and to follow government boundaries. This is usually the most difficult part.

Once this has been accomplished, the re-apportionment plans are given the executive committee who will study them and then presented to the entire Brown County Board. It is their decision to either accept, make changes, or reject the entire plan. If the county board makes changes that effect the deviations too much, this can be challenged in court.



A final comment. Politically, Mike will have 24 Brown County Supervisors looking over his shoulder to make sure that as a result of re-apportionment,

two or even more of them will not end up in the same district and have to oppose each other. It is also possible that present supervisors may no longer end up residing in the districts they represent, and this is what makes things interesting.

In addition to re-apportionment in each of the states counties, it will necessary to realign state senate and representative districts, as well as congressional districts in which it appears one seat will have to be eliminated due to national population trends. Good luck Mike and thank you for all of your help to us in putting this together.

**Richard English - BCTA**

"The United States is the only country in the world where it takes more brains to figure your tax than to earn the money to pay it."

. . . **Edward J. Gurney**

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

. . . **Winston Churchill**



## Taxes and Accountability.

In order for a government to function and provide services for the people that it represents, taxation of the populace is a necessary evil. All governments need tax money to provide a military defense system and police forces, to operate schools, hospitals and court systems, to build dams and roads, to provide medical care for the poor and elderly, and hundreds of other services. However, the general public and their representatives need to learn to distinguish the difference between what we need and what we want. I believe that this is one of the standards in addition to elimination of waste that constitutes fiscal responsibility. For example, voting for a specific tax to contribute to the wealth of a football team is insanity. It is wrong for a government to condone a special law, which would require anyone to pay a tax that is a specific contribution to a private concern. Since the majority rules in a democracy, the minority has no recourse when a tax requires a direct contribution to private business.

As long as the general population allows our representatives to continue their present spending habits without regard to fiscal responsibility, we will be taxed far beyond the amount required to provide necessary and important services. We are taxed by the federal and state government when we earn money and again by sales and excise taxes when we spend that money. When we invest money we pay tax on the earnings. We pay property taxes if we own a home or land, capital gains taxes when we sell an investment, and in some cases we pay taxes when we die.

The total amount of taxes that we pay is impossible to calculate, because of the hundreds of taxes that are hidden within the price that we pay for products and services, which means that we are paying much more in taxes than we realize.. For example, when we buy a gallon of gasoline, we pay a federal tax of 18.4 cents and a Wisconsin tax of 26.4 cents, which is hidden within the pump. On April 1, 2001, the Wisconsin gasoline tax, already one of the highest in the nation will increase to 27.3 cents per gallon. Corporation taxes are hidden as they are passed on to the consumer in higher prices, also may have the effect of lower employee compensation. Import taxes are hidden within the price of goods. Taxes are hidden within utility bills and some utility regulations force some users to pay higher prices to subsidize other users. The federal access charge, which appears on your telephone bill is an example of charging some users a fee to subsidize other users, which is really a tax, but has never been passed into law. This is an example of taxation without representation. According to Taxpayers Network, Inc., hidden taxes account for 35 cents of the cost of a \$1.14 loaf of bread, 18 cents of a 50 cent can of soda, 72 percent of a 750 ml bottle of liquor, 43% of a \$80 hotel room, and \$63.60 of a \$159 airline ticket. The list of unseen taxes is too long to be listed here.

If you are a married person filing a joint return and receiving Social Security benefits, 50% per cent of your Social Security benefits are subject to taxes if your modified adjusted gross income is between \$32,000 and \$44,000. If your modified AGI is over \$44,000, 85% of your Social Security income

is subject to taxation. (Modified adjustment income means all ordinary AGI plus half of Social Security benefits). The figures differ slightly for single persons or married persons filing separate returns. However, most importantly, not only is this a discriminatory law based on means testing, but it hides the fact that these older Americans, whose Social Security benefits are subject to taxation, pay higher than normal marginal tax rates—which is the rate paid on an additional dollar of income.

Politicians have searched out about every existing entity that can be taxed and don't view wasted tax money like they would their own finances. When federal grants are made to state governments for a specific purpose, they often become discretionary funds, part of which, could be paid as a signing bonus for a professional football player or who knows what. The federal government needs to follow up on grants to be sure that they are used for the specific purpose intended. Federal representatives need to stop the, "you scratch my back and I'll scratch yours" games to get pet projects funded for their districts and stricter laws need to be passed to eliminate the use of influence by lobbyists, especially former congressional members who represent large corporations.

"The Government Racket 2000," written by Martin L. Gross, points out that the U.S. government wastes \$375 billion a year, which could cut your personal income tax by 40 percent.

Taxpayers should have the right to know the items that are taxed, the amount of taxes that they are paying and how the money is used. That means that hidden taxes need to be exposed in some manner and the purpose accounted for. The clandestine nature of taxes that are hidden within the tax codes is the politician's way of extorting money from American citizens without accountability. We can't demand accountability for a tax that we don't know that we are paying. Mr. Bush wants accountability in education regarding federal funding. Taxpayers need to see general accountability for the taxes that they pay. Until taxpayers realize the amount of taxes that they paying, and how that money is used, politicians will continue to pull the wool over our eyes and we will continue pay exorbitant taxes.

**Jim Smith - BCTA**

## National Debt Clock Keeps Ticking Away.

We reported in the Tax Times that on Jan. 2, 2001, the national debt was **\$5,681,194,067,675.26**. At 9:00PM, CST on March 20, it stands at **\$5,731,696,100,325.50**, or an *increase of \$50.5 Billion dollars in 77 days*. Do these guys in Washington really know what they are doing, and is a tax cut really such a good idea? These are the same people that tell us that consumer debt is ruining the economy. To check this out, log on to **[www.Toptips.com/debtclock.html](http://www.Toptips.com/debtclock.html)**. You can watch the national debt grow as you watch it, and it even tells you how much your family owes.

## The Benefits of "School Choice" or "Vouchers".

By J. D. Thorne, Attorney

*I sent the following to Mr. Eric V. Schlecht, Director, Congressional Relations of the National Taxpayers Union Foundation, Washington, D. C.*

Please persuade the congressional and executive powers that be to keep "School Choice" or what the press labels, "Vouchers," in the educational reform plan for our nation. It should not be viewed as a negotiation chip or "red herring" in the debate. Rather, it is what I would call "the whole goose." Please urge the Bush Administration and their colleagues in the House and Senate not give up the "high ground" from where real change in education can proceed to benefit our children.

The new Administration nobly desires to do something to help our "shadow" nation of citizens escape it's bonds of ignorance, prejudice, and want. The FIRST step on this long journey to affect real change is to introduce good old fashioned, All-American COMPETITION into the educational system through giving low income parents a CHOICE over where their children attend school and over what teachers will teach them.

Proposals that mandate "accountability" through measurement by testing and through awarding and withholding of funds have a sneak,' surface logic. However, what it really means is additional regulation by government fiat and more bureaucracy to administer it. It is little wonder the forces against educational reform will agree to negotiate this approach with the Administration.

The FIRST step on this journey is not to govern by a decree of more standards and more tests to measure the failure to meet those standards. This so even if they are designed by bipartisan political committees, social scientists, and professional educators. But this approach is easier legislation to pass because it is the old approach. It is an approach the established forces against change and reform will not seriously oppose. It is slow to implement because the final standards and measures are all negotiable, it has a surface logic and rationale that is difficult for anyone to argue against, and it is so cumbersome that the change can be controlled-maybe even delayed so long that things will never really change although all the while appearing to actually be a new direction.

Instead of having the Government decide which schools are failing and by what standards and measures, let the taxpaying parents make the choice. Like Adam Smith's invisible economic finger, failing schools will be identified with the greatest accuracy and efficiency possible BY THE CUSTOMERS THEY SERVE. Cannot we rely on the customer always being right?

President Bush tightly argued during the campaign for a tax cut in part because the government should not pretend it knows better than its individual citizens as to what choices we should make with the money we earn. After taking what it is necessary to appropriate for the agreed upon com-



mon good such as our common defense, administration of justice, police and fire protection, water, sanitation, and environment, etc., it is better that the individual, not the government, decide what is needed most. I agree.

However, in the case of education, this is not apparently true. The government experts pretend to know better than the educational consumer. Perhaps it should be little wonder why parents choose to home school their children in greater and greater numbers than ever before.

In Milwaukee, "School Choice" has allowed neighborhood parochial and charter schools an equal shot with public schools at succeeding-and allowed low income parents a shot at choosing this option. This hard-fought privilege has been the best decision government in our state has ever made to promote quality and equality in education.

Moreover, all agree the "Separation of Church and State" is not an issue. In fact, it was interesting to discover in a recent presentation to the Milwaukee Public Affairs Council by an Administrator of a Milwaukee Catholic Parish with a Choice School that NONE of the allegations made in the lawsuit filed against the program by the out of state plaintiff's were made by a school parent. She also noted that students of many different religious and ethnic backgrounds attend the Catholic School and in part because their parents want them to learn positive values taught in the religious education classes. Parents who object have the choice to attend the public school, so everyone has true choice in the matter.

Also surprising was to learn that Milwaukee Public School Administrators support school choice too. The main benefit of the introduction of COMPETITION for them is that it allows school administrators to motivate the teachers and principals to ever improve their product. It is the existence of competition that goads everyone toward better performing schools, just as the existence of Ford and Chrysler motivates General Motors to produce better cars.

The teacher's unions run political issue ads proclaiming that School Choice or "vouchers" are bad ideas because it will end up draining tax dollars from the poorest performing schools, and doing so probably exactly when they need it most. Isn't this exactly the end the Bush Administration's proposals are trying to accomplish-the removal of funding from poorly performing schools?

But the teacher's unions can deal with proposals for "accountability" without School Choice or "vouchers." This is because they understand the process of negotiation of standards and budgets. Like the major league baseball player's union in dealing with baseball ownership, the power to negotiate gives the union leaders the power to control the process-and the outcome-for their union. It preserves their power in the system.

Give low income parents School Choice, and that is something the teacher's unions fear like Dracula fears daylight.

**J. D. Thorne**

**President Pro Tem - Milwaukee Public Affairs Council**

**What the Government giveth, the Tax Collector taketh away.**

One of the more controversial edicts of the Clinton administration was the partial taxing of social security benefits. Basically, if your adjusted gross income exceeds \$44,000, 85% of social security benefits you receive are taxed at the normal rate. Although we can appreciate the rationality of this, social security benefits have historically been exempt from income taxes for a number of reasons, including the fact you have previously paid tax on your payroll deductions. Many retirees have pensions and investments which raise their income above \$44,000 but still depend on social security to supplement their income.

One of our members calculated that of the \$18,468 he and his spouse receive in social security benefits each year, they only have \$7,326.01 left after taxes and insurance costs. This includes \$1,092 for medicare, \$4,395.16 federal taxes @ 28% of 85% of \$18,468. Wisconsin state income tax of \$604.83 on 50% @ 6.55% and supplemental health insurance costs of \$5,050 due to shortcomings in Medicare. Also, as income this pushes ones entire earnings into a higher income tax bracket.

Obviously these numbers can vary from individual to individual, but there seems to be something basically wrong with the concept of giving you something with one hand and taking it away with the other. Do you agree? JF

**Rep. Greens Proposal Would Enable Public to View Information About Lobbyists' Efforts In Washington On The Internet.**

If Rep. Mark Green has his way, citizens across the country will be able to turn on their computers and find out what special interest groups are doing to try to influence public policy in Washington.

"This is a common-sense measure that will enable folks to have a better idea about what lobbyists are up to in Washington and how they think it might affect them," Green said. "It will create a simpler method to retrieve information they should already have access to."

In 1995 Congress enacted the Lobby Disclosure Act, which required lobbyists to register and file reports on their activities. Green's proposal would post this information on the Internet for the general public to view.

During his tenure in the Wisconsin Assembly, Green guided passage of a similar measure. His "Lobbyists Online" proposal, which is now law in Wisconsin, requires the posting of state lobbying disclosure information on the Internet. Check <http://ethics.state.wi.us>.

"The top largest 400 personal income tax returns by size produce more Federal revenue than the bottom 40 million returns combined." . . . **Recent news item.**

"Taxes are not levied for the benefit of the taxed." . . . **Robert Heinlein**

**February Meeting Minutes.**

Vice-President Richard Parins called the meeting to order at the Glory Years at 12:03 p.m. The minutes of the January 18th meeting and treasurers report were approved.

Sandy Duckett of Northeast Wisconsin Technical College (NWTC) and Bob Hougard, Jr, President of Hougard Construction, spoke in support of the April 3<sup>rd</sup> referendum to approve \$46.6 million for site improvements, construction, and renovation at the NWTC facilities in Green Bay, Marinette, Sturgeon Bay, and Shawano. Ms. Duckett presented information showing that NWTC presently rates 4<sup>th</sup> in enrollment among the 16 Wisconsin Technical Colleges. At the same time, NWTC ranks near the lowest of the 16 technical colleges in mill rate, tax levy per student, and in square feet per full time equivalent student. She explained that the high quality work force in this area is one of the key reasons area employers give for not relocating down South. She also presented information about the significant support NWTC receives from area businesses and industries. She noted that NWTC gives more scholarships than any of the other Wisconsin Technical Colleges.

Mr. Hougard explained that NWTC has 1,200 students in apprenticeship programs, the largest number of any of the Wisconsin Technical Colleges. He commented that NWTC is falling behind area high schools in technical equipment. He supports the referendum to add additional space to meet projected increases in NWTC enrollment through 2010.

In the discussion following the presentation, concerns focused mainly on the timing of this referendum, coming right on the heels of a flurry of referenda approving over a half a billion dollars for school, jail, and entertainment facility construction. Passage of this referendum will increase annual property taxes on a \$100,000 home by about \$22.00.

The directors approved a resolution calling for Brown County to study privatizing the Brown County Mental Health center and other county services. The Executive Committee was authorized to approve a final draft of the resolution.

A discussion of the Brown County Central Water Authority's closed meetings took place. Serious concerns are being raised about planning and negotiating for a government project of this magnitude in closed sessions.

Michael Riley of Taxpayers Network, Inc. sent copies of the National Conservative Union's 2000 Ratings of Congress. The NCU index rates Senator Kohl's voting record on conservative issues at 20 percent for 2000 with a rating of 15 percent for his 12 years in the Senate. Senator Feingold received an 8 percent rating for 2000 with a 10 percent rating for his 8 years in the Senate. Congressman Green received an 84 percent rating for 2000 with an 86 percent rating for his two years in the House of Representatives.

Directors present were: D. Dillenburg, D. English, J. Frink, R. Goldhahn, D. Nelson, R. Parins, T. Sladek, G. Slavik, J. Smith. Directors absent were: F. Bennett, J. Beckman, C. Brand, J. Derbique, R. Erickson, J. Gower, G. Parker.

The meeting adjourned at 1:32p.m. The next BCTA meeting is scheduled for March 15th at the Glory Years.

**Dave Nelson - Secretary.**

**BCTA Meeting and Events Schedule.**

- Tuesday** - **April 3, 2001** - General Spring Elections. State Schools Supt. \$46.6 Million NWTC referendum. Various local races.  
**BE SURE TO VOTE !**
- Monday** - **April 16, 2001** - Federal and State Income Tax returns due. Also, first quarter estimates for 2001 taxes.
- Thursday** - **April 19, 2001** - BCTA Monthly Meeting. *Glory Years*, Washington St. Inn, 347 S. Washington St. 12:00 Noon. "Vince Lombardi" Room. Super Special Program. State Senator Robert Welch will discuss proposals for keeping the state budget in line. Also, Bob Collison, Chairman of The Libertarian Party of Wisconsin will present BCTA with their annual award for taxpayers rights.  
**Mark Your Calendar and Plan on Attending!**
- Thursday** - **May 17, 2001** - BCTA Monthly Meeting. *Glory Years*. "Vince Lombardi" Room. 12:00 Noon .

All members of the BCTA, their guests, and other interested persons are cordially invited to attend and participate in these open meetings. Phone 336-6410 (Jim Frink), or 499-0768 (Frank Bennett) for information or to leave message. Reservations for meetings are appreciated.

**Price - \$6.50 per meeting for lunch. Payable at door.**

APRIL  
2001



"Isn't it ironic that the month of the tax begins with April Fool's Day and ends with cries of May Day."  
... Robert Knauerhase

"There's only one kind of tax that would please everybody — one that nobody but the other guy has to pay."  
... Earl Wilson

**SUPPORT THE BCTA**  
**New Members are Always**  
**Welcome.**  
Call 336-6410 or 499-0768  
Write us at P. O. Box 684  
or visit our website  
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- What About NWTC?
- BCTA Says NO on NWTC Property Tax Hike.
- Wisconsin Gas Tax Going Up Again.
- BCTA To Receive Libertarian Award.
- 2001 Membership Survey Results.
- Eight Good Reasons to Cut Taxes.
- Support Legislation to Limit State Spending.
- The Oneidas and State of Wisconsin.
- Re-Appportionment. What is it?
- Taxes and Accountability.
- Benefits of "School Choice" Vouchers.
- Rep. Green Proposes Lobbyist Disclosures.
- and more.