
◆ The TAX TIMES ◆

Volume 20, Issue 8

Newsletter of the Brown County Taxpayers Association

June, 2005

Your Highway Dollars At Work.

The April Fools joke from the annual mandatory fuel tax increase pales in comparison to the latest road building plans unveiled by the DOT. I guess the upgrades and modifications completed on Hwy 41 from Schuering Road to Velp Avenue are in need of upgrading. It wasn't enough to spend almost 100% more than the original estimates, but the DOT suddenly realized that additional lanes and an improved interchange with Hwy 29 have come to light.

These announcements appear as a revelation that unseen increases in traffic and a better transition to Hwy 29 were somehow unnecessary and unforeseen a few years back. The Rip Van Winkle engineering department should be taken to task for an explanation. God knows we need to keep the road building companies in full employment, but I would like to understand how these changes just seem to come to light in a couple of years.

My best guess is that in a couple of years the recently completed section of Hwy 41 from Wisconsin Ave. in Appleton to Scheuring Road will need to be widened to 3 lanes each way.

I drive these roads every day and these improvements were patently obvious at the time of the last remodel job. The cost of disruption and economic loss to adjoining businesses justifies getting the job done right, once. Road building in Wisconsin is an anomaly to the art of traffic construction and design. You'd think this stuff was never done before, that road design demands utilizing the most acreage possible, (see the Hwy 172 and 41 Interchange.) We realize that money is tight and the Governor raiding the fund doesn't help. Just do the job right the first time and remember taxpayers are paying for it.

Oh well, it just goes to show how badly needed the man-

Water, Water!

The Brown Co. Water Deal is dead! Long live the Brown Co. Water Deal! This letter should be posted in the Obituaries, with apologies to our dear departed. Common Sense and Reason croaked at the hands of county and local politicians, who will never pay for their villainy. Their abject failure to construct a sensible, low-cost water agreement at home cheats our citizens, present and future.

Egos and politics drove the agenda to self-interested plans regardless of economics and safety. Our county will now buy water from another county forty miles closer as the offal flows from Milwaukee Metropolitan Sewerage District untreated waste dumping site. And we'll build a costly and unnecessary pipeline for the privilege.

Add the environmental damage to the unnecessary costs and the unaccounted future debt, and you have the lousiest outcome imaginable - except for the bucket brigade our brave leaders wisely but narrowly tossed out. We are the laughing stock of the State and we deserve it. Or we would be the laughing stock if not for the total lack of public interest, or should I say lack of public trust. Our children, should they choose to remain, will curse this day.

Richard Parins, President

The BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility in Government

Government (*Taxpayers*) Could Pay for Private Pension Plans.

Serious financial problems and even bankruptcy have been facing several of the nations largest corporations including United Airlines, Ford, General Motors and USAir. While reorganization and employee concessions will probably keep these giants in business, they can become burdens on the rest of the economy. One problem they face is honoring the pension plans established for their thousands of retired employees. In some cases bankruptcy judges have allowed whatever funds that were set aside to pay retirement benefits to be used for other corporate indebtedness in efforts to avoid bankruptcy. The money is no longer there.

Most pension plans in force today are guaranteed by reserves built up by a combination of employer and employee contributions invested during ones working years. However, older plans, especially from the large corporations were not completely funded, depending on current income to pay retirement benefits. It was not a major concern at the time, and adequate reserves for retirements were not set aside.

The Employment Retirement Income Security Act of 1974 (ERISA) went a long way to assure that company contributions to guaranteed benefit plans were protected for their intended purpose. Restrictions were imposed assuring that funds were invested prudently, and that employees were informed of the status of these investments accordingly. The funds were segregated from other corporate assets. While these funds were considered exempt as a business expense, they become taxable when withdrawn from an individual retirement account (IRA) by retired recipients.

The ERISA act also established the Pension Benefits Guarantee Corp., (PBGC), whereby employers with a defined benefit plan could insure their pensions through the government. This provision created two problems which may not become a major problem. First, the "insurance" rates charged employers to guarantee their plans was ridiculously low, and they guaranteed the benefits ridiculously high, up to a maximum of \$45,613 per year in retirement benefits.

While even this amount was less than the benefits payable under their employers plan, the question is, where is the money to pay these benefits coming from if the original employer no longer has the assets to do it, and they fall back on the Government insurance? The money isn't there either. Will it be the taxpayer? We bailed out the Savings and Loan industry. What will be the justification of paying you and I paying for the generous pension plans of General Motors or United Airlines with our taxes? These same retirees are also eligible for their Social Security benefits, and something will have to be done with Health Insurance benefits which were guaranteed after their retirement. The problem has the potential for dwarfing our present concern for stabilizing the Social Security system.

One solution would be to have a qualified blue ribbon committee analyze the situation for possible remedies other than force taxpayers to foot the bill. It may be time to say no.

Another would be to elect representatives to Congress with a business of accounting background who don't keep passing stupid laws we can't afford to pay for. How can they keep predicting how things will be 10, 20 or 30 years down the line when they are incapable of passing a budget for the current year?

JF

May Meeting Notes. Superintendent Nerad Discusses Fifth High School Study.

Monthly BCTA meeting May 19, at the *Quality Inn*. Green Bay School Superintendent Dan Nerad explained the district's study leading to plans for a fifth high school in the Green Bay School District. He stated that three sets of data were used to develop projections of student growth, Green Bay School District enrollment projections, Wisconsin Department of Administration population projections, and Green Bay Planning Department residential growth projections. The three sets of data were consistent with their estimates of future school-age population in the district.

Three options were evaluated in the study. The boundary change option would provide one or two years of relief. Additions to existing buildings to accommodate another 2,000 students are not feasible.

Initially, the new building would serve as an elementary school, grades 1-6. In the second phase, boundary changes would be needed as the new building becomes a high school. Boundaries should minimize split attendance between grade school and middle school. Each area must allow for new growth. Geographic boundaries must be logical. A mix of students for the East and Preble high schools is desired.

Holding the number of low income students to not more than 40 percent of the student body improves their performance. Middle class students are needed to provide stability within the schools. Supt. Nerad has written a research paper supporting the concept that mixing middle class students with low income students stimulates the lower income students to higher performance without adversely affecting the performance of the middle class students. Some busing may be required to achieve this goal.

The Green Bay School Board has accepted the report, but has not approved the fifth high school. Construction of the fifth high school must be approved in a referendum. Supt. Nerad stated that his goal is to keep the district's debt service payments as flat as possible.

Green Bay Mayor Jim Schmitt spoke about his hopes for revisiting the water plan. He stated that he is eager for more talks before the Manitowoc pipeline is beyond the point of no return. Tim Nixon of the Green Bay Water Commission presented an analysis comparing Green Bay and Manitowoc alternatives. Adding to the uncertainty of future costs are changes that may result from Public Service Commission of Wisconsin regulation beginning in 2008, and the \$42 million of pipeline debt re-

Tim Nixon

maintaining to be paid down at the end of 2059.

A BCTA analysis indicates that it will be thirty years before the Manitowoc water costs less on an annual basis for the surrounding communities.

Copies of the Heartland Institutes "Budget and Tax News" monthly newsletter were distributed. Also, Jo Eglehoff from the Wisconsin Taxpayers Alliance distributed copies of their publications and urged support for their non-partisan research and public affairs activities.

The next BCTA meeting will be Thursday, June 16. The speaker will be Jeff Gilderson-Duwe who is the new director of the Brown County Library System. Meeting details on back page of this TAX TIMES. **Dave Nelson - Secre-**

National Debt Update.

As of June 1, the National Debt balance was \$7,722,713,051,972. This actually is a decrease of about \$77.5 Billion from last month. Probably due from income tax returns.

Before congress starts to celebrate and dream up new spending ideas however, they might want to figure what this debt is costing us. At a super low government rate of 4%, it would still cost about \$1,100 per person for interest alone each year.

Library Director to Speak at June BCTA Meeting.

Jeff Gilderson-Duwe, the new director of the Brown County Library system will speak at the June BCTA meeting scheduled for Thursday, June 16, at the Quality Inn.

Mr. Duwe has a Master of Arts in library and information studies from the UW-Madison, and has been a professional librarian since 1988. The Brown County Library System accounts for about 3% of the counties budget and provides a number of valuable services to county residents.

Backward Budgeting By The Legislature.

How should we begin to balance the state's two-year budget? Should we look at the big picture first? Figure out how much money we expect to have, and then make the pieces fit that picture?

Or should we look at each little piece one at a time with little discussion of, or agreement on, overall goals, and then hope somehow that we won't spend too much.

In the past, we've done it the second way. So far, it doesn't look like we've learned from our mistakes. We're still budgeting backwards.

It can't be that hard to budget according to the big picture. The recession is over. Revenues are growing. The non-partisan Legislative Fiscal Bureau reports tax revenues will grow by 9.6% over the next two years, to over \$24 billion - nearly \$1.5 billion more than our current two-year budget, without raising the rate of a single tax or fee.

Instead of looking at the money we'll have, then deciding how to spend it, the Legislature's Joint Committee on Finance (JCF) is looking at each agency, each program, each spending item individually. Their philosophy seems to be: we can raise taxes and fees, borrow from the future, raid funds for specific programs, as long as we do it a little less than the Governor did. This at least makes the legislature look responsible.

There is no recession. Revenues are healthy. Yet we are playing our budgetary games and putting off the day of reckoning.

Any hope they might revert to the big picture view is already gone. If JCF had any intention of making the budget fit into the money we've got, they would not have already raised taxes and fees. But they did. They would not have added more state troopers (ten of them) but they did. They'd say cigarette taxes are not an option, but they are.

There's little doubt at this point that the budget JCF proposes will look a lot like Governor Doyle's

budget. It will raise taxes, it will raise fees, it will borrow too much money, it will raid other funds, and it will put spending off to the future. It will solve the current deficit by creating a future deficit. Just like last time.

When they've finished, they'll tell us they've done the heavy lifting already. They understand, we don't like the tax increases, the fee increases, the borrowing, the raids on other funds, the reliance on one time money. They understand we're upset that they've pushed the problems off to a future year. Again.

But, they'll say, it's too late to change all that. Support the whole thing, or it will unravel, and all that work will be down the drain, and we'll look like fools. Now, what elected official (or anyone else for that matter) would want to look like a fool?

None of them. I'm afraid the Legislature will go along with this.

If we're serious about honest budgeting - like we all say we are - then we should be able to limit ourselves to the 9.6% growth in tax and fee revenue we're expecting.

Making the tough decisions will put our state in a stronger place to face the future. When the next legislature will have to make up for the sins of past legislatures. If the legislature doesn't sent the money to the Governor, the Governor can't spend it.

Rep. Frank G. Lasee

"Shouldn't there be a better way of getting out of debt than borrowing money?" . . . **Doug Larsen**

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 Frink@ExecPC.Com.

Could The Federal Government Save Money? (Even if it wanted to?)

Can anyone deny that the U.S. Federal budget is a basket case with no cure in sight? Read the news. Each month we see a new record national debt established with absolutely no concern at all from Washington as to a remedy. Congress seems more interested in talking tax cuts and proposing new spending programs to get votes than balancing the budget.

Our state and local governments are forced to pick up many spending items which were formerly federally supported , and find no help in return. At least our local and state governments can make some reasonable estimates for their budgeting and tell you how much they are in the hole.

To his credit, President Bush has at least proposed terminating or reducing the budgets of over 150 under performing federal programs. Identifying wasteful programs is not the problem. Studies by the Government Accountability Office, Congressional Budget Office, Inspector Generals Office, each agencies performance reports and others all make recommendations for reducing government waste. Unfortunately Congress is more interested in spending money for the benefit of people back home, especially more popular programs such as Social Security, government contracts and grants.

A recent article by Brian Reidl for *The American Conservative Union* identifies ten top government wastes which they estimate could save over \$100 Billion annually. While this still wouldn't balance the federal budget, they also would not effect the operations and benefits of government programs.

#1 – The Missing \$25 Billion. Each year it seems there is an estimated \$25 Billion missing from what comes in to the Treasury and what goes out. They call this “*Unreconciled Transactions Affecting the Change in Net Government*”, but sloppy bookkeeping would probably be a better title. \$25 Billion could finance several needy programs.

#2 – Unused Flight Tickets. It is estimated that between 1997 and 2003, the Department of Defense alone purchased and left unused 270,000 commercial airline tickets valued at \$100 million. Other times they paid twice for the same ticket. They could have obtained reimbursement. This is nice for the airline industry but disrespectful to taxpayers.

#3 – Embezzled Funds at the Dept. of Agriculture. While allowing federal employees the use of credit cards to make necessary purchases can eliminate a lot of paper work and save a lot of time, the privilege is often abused – big time! An audit estimates that 15% of Dept. of Agriculture had cost the department over \$11 Million annually, charging everything from concert tickets to tattoos to the taxpayers.

#4 – Credit Card Abuse at the Dept. of Defense. Same as the Dept. of Agriculture but on a larger scale. Charges for everything from exotic dancers to gambling.

#5 – Medicare Overspending. Medicare wastes more money than any other federal program. It is estimated that drug overcharges, contractor overcharges, outright fraud and billing errors cost taxpayers about \$39 Billion annually. Correcting this would not result in benefits or programs

#6 – Fictitious Colleges and Students. \$21 Bil-

lion of student loans are in default. Loans have been made for students attending schools which do not even exist. The program has been poorly supervised.

#7 – Manipulating Data to Encourage Spending. The need for federal grants is sometimes exaggerated to receive more funds. Some projects were never needed.

#8 – State Abuse of Medicaid Funding. Federal reimbursement of Medicaid funding encourages some states to claim more requesting improper payments. Estimated cost to the Federal government is \$2 Billion annually.

#9 – Earned Income Tax Credit Overpayments. The earned income tax credit (EITC) provides tax credits to low income families. It is estimated there is an annual overpayment of from \$8.5 to \$9.9 Billion due to errors in calculating eligibility and complexities of the law.

#10 – Redundancy Piled on Redundancy. The government has a habit of piling new programs on top of old ones causing duplication. Several agencies often perform similar duties. Following are examples: 342 economic development programs, 130 programs serving the disabled, 130 programs serving at-risk youths, 90 early childhood development programs, 75 programs funding international education, cultural, and training exchange students, 72 federal programs dedicated to assuring safe water, 50 homeless assistance programs, 45 federal agencies conducting federal criminal investigations, 40 separate employment and training programs, 28 rural development programs, 23 agencies providing aid to the former Soviet republics, 19 programs fighting substance abuse, etc. etc. It would be difficult to estimate the cost of waste through duplication of services but it has to be substantial.

This list is probably only the tip of the iceberg. Nothing was mentioned about the Congressional pork spending which is included in the federal budget, or the famous \$400 toilet seats or \$300 hammers for the Dept. of Defense. Nothing about the huge overruns which are always present on any large construction project hen the government becomes involved . Nothing about foreign aid programs which do not benefit our national interests. Also, nothing about the billions which could be collected if the IRS were able to collect the taxes available under presently existing laws. JF

“I wish that all Americans would realize that American politics is world politics.” . . . Theodore Roosevelt

“There is no limit to what you can accomplish if you don't care who gets the credit.” . . . Ronald Reagan

“When people stop believing in God, they don't believe in nothing – they believe in anything.” . . G. K. Chesterton

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www.BCTaxpayers.Org

The Case For a Flat Tax.

In the May "TAX TIMES", we discussed some of the pros and cons of what is popularly called a "fair tax", which is proposed as a 23% sales tax on most of the goods and services which we consume. The intent is to consolidate other federal taxes while meeting the needs of our government bureaucracy and be based on consumption rather than income. Like many government programs, it sounds good until you start reading the fine print.

Another plan that has much support in recent years is the "flat tax."

This proposal is also intended to scrap most of the present existing federal tax code, and treat all income earners with fairness while providing the federal government with the necessary funds to carry out its business.

An editorial in the June 6, issue of "Forbes Magazine", offers support based on testimony before the President's Advisory Panel on Federal Tax Reform by editor Steve Forbes.

He illustrated the complexity of our federal tax code by comparing its size of over 9 million words with the bible which has only 773,000 words. Since the "Tax Reform Act of 1986", which was intended to simplify taxes, over 14,000 amendments with 3,000,000 words have been added to these regulations. The bulk of these amendments provide special deductions, exemptions, loopholes, preferences, credits and exclusions to individuals and businesses. It is estimated a typical taxpayer spends over 26 hours each year completing his tax return. While many of them are well intended and perhaps beneficial to the economy, it creates a level of confusion best understood by those taking advantage of the system and their tax attorneys. The Alternative Minimum Tax recently added to level the playing field has in effect created a compulsory maximum tax.

The flat tax would eliminate tax shelters or other schemes to avoid the payment of taxes. The basic plan is simply that a family of four would pay a flat rate of 17% on all income over \$46,165. There would be no tax on Social Security benefits, no tax on personal savings or capital gains. Business establishments would be taxed at the same 17% rate on their profits

after deductions for the cost of labor and other necessary costs of doing business. Investments would be immediately expensed rather than depreciated. If there was a loss, it would be carried forward to the next year. Predictions are that actual tax collections would equal or exceed what we have at present.

The result would likely be a lower net tax for many, particularly large income earners and corporations. It is predicted this would greatly stimulate the economy along with capital investment, job growth, etc.

Proponents claim the system would be so simple a post card is all you would require to file a tax return.

While this all sounds great, there may be a few details to work out before implementation.

First, even though the vast majority of us would pay little or no tax, it appears what is considered the wealthy would gain a huge advantage. It would take a massive public relations effort to sell.

While perhaps the majority of tax code amendments could be cut, it probably would not take congress long to start making exceptions. Sometimes they forget that a tax cut here requires a tax increase there to equal out. While the planned individual and family exemptions are high, will special provisions still have to be made for medical expenses or college tuition?

While numbers like 17% for everyone or \$46,165 of exempt income per family may sound good to sell the plan, how long will that last. Like our sales tax which began at 3% on select items and soon rose to 5% on just about everything, once a tax is started it never goes away.

This leads to one more question. While the "Fair Tax" claims it would eliminate Social Security taxes, excise taxes and others, what is the intention here? The worst scenario is that Congress and our states will end up spending so much money they may decide to keep all the taxes they dream up. Watch out.

Jim Frink

HOPE Idea Misnamed.

A legislative proposal called HOPE, for "Home Owners Property Exemption" is being touted throughout Wisconsin. The idea is to exempt the first \$60,000 of a home value from school property taxes each year. An average of about \$569 per year statewide. While this part of the plan will undoubtedly sound attractive to everyone concerned with their huge property tax bills, it appears there is a lot of explaining for supporters to do before it can be considered a good idea.

First, the state budget for this year is still about \$1.6 Billion short, and this creates additional funding for education. The governor has already maximized available spare funds and accounting methods which will have to be repaid. This proposal calls for the state to provide another \$800 Million for schools now provided by property taxes, calling it "property tax relief." While he claims he doesn't want to raise taxes, it remains to be seen where the \$800 Million will come from.

While some claim another \$3 billion could be raised by closing tax loopholes, the Dept. of Revenue can only identify about \$200 Million. The rest would possibly come from adding sales tax to a number of goods and services not now taxed, or by outright tax increases passed directly to all taxpayers. In any event, while a property tax reduction would be welcome to all of us, we would likely end up paying for it somewhere else. Any reduction in property taxes would likely be claimed by other municipal services struggling under the state budget. Whatever happened to the concern local school boards used to have regarding local control of schools?

Perhaps a more suitable name would be **STENCH** for "Shifting Taxes for Education Now Called Hope," or **START** for "Shift Taxes And Ruse Taxpayers." Call it what you want. JF

"Democracy is the worst form of government except all others."

. . . Winston Churchill

"Crime does not pay — as well as politics."

. . . Alfred E. Newman

Things That Make Us Wonder.

The U. S. Dept. of Agriculture is seriously proposing to I.D. the nations estimated 9 Billion cows, pigs, and chickens in an effort to track contagious diseases which could effect humans. No doubt they are also considering tracking wood ticks and mosquitoes which cause Lyme disease and West Nile Fever.

Whatever they do, lets hope it's a better job than the Social Security Administration, the border patrol, Department of Immigration, or anyone else on the federal payroll charged with keeping tabs on illegal immigrants and the rest of the 300 million people, good and bad, living here.

In the May *Tax Times*, we mentioned a plan that the State of Oregon is considering to tax the sales of automotive gasoline by the number of miles driven rather than a specific charge per gallon as used by all other states. Their reasoning was that smaller, more efficient cars get more miles per gallon, and that all vehicles should be taxed based on the number of miles driven on state roads rather than by their consumption of gasoline. Their plan actually proposes proportionally reducing the amount charged less fuel efficient vehicles so that the amount of miles driven is a bigger factor in state costs than the miles per gallon delivered.

Obviously this could be a setback in efforts to conserve energy by being more efficient. Nonetheless, it must have some merit where we read the Federal Government has considered such a plan on a national basis. Let's hope such a crazy idea is not going to be part of President Bush's energy plan.

Governor Doyle, to his credit as a ~~cost cutting measure~~, has allowed the state to dispose of a couple of thousand cars which were assigned to various state employees. This move included the University system. The reaction of the University was to provide their chancellors who lost their state owned vehicles with a \$700 monthly stipend for automobile expenses. Watching TV ads indicates for about \$300 per month you can lease a decent automobile which you can insure

for another \$100. That would leave \$300 per month for fuel and maintenance. We understand, however, they receive \$.325 per mile driven under either plan. Perhaps the brains at the UW can explain how their plan is saving taxpayer money. Also, reimbursement in excess of expense can be construed as taxable income.

We wonder what the attitude of graduating students will be when their administration has such disrespect for taxpayers money. Maybe the state should take a look at some private employers with large fleets of cars and see just how they afford to do it.

The City of Oshkosh was recently shocked when one of their long time employers, Oshkosh B'Gosh, was sold to a competitor. I recently checked an Oshkosh B'Gosh label product in a local store, and was surprised to find it was made in Malaysia. Maybe the people of Oshkosh should have been become alarmed sooner.

About 20 years or so ago, when the cost of providing health insurance benefits for their employees was beginning a major expenditure item for many employers, the IRS proposed considering these benefits as taxable income for the employee.

Their rationale was that this large expense item was reducing the taxable corporate income for employees, and as a benefit being given to employees, it should be handled as taxable income in the form of wages, the same as salary, furnishing company stock, personal use of an automobile or other tangible fringe benefits. In other words, the employees would pay more income taxes as a result.

At the time, health insurance benefits provided for a family were still in the \$50-100 range per month, and just beginning their astronomical cost increases to what we have today.

We certainly are not advocating making this benefit taxable income today, even though it could add several thousand dollars of taxable income to a families W-2, and provide considerable revenue for the federal and state governments. That is something for Con-

gress to address and take the blame for. What could happen, however, is that when workers realize the full impact of what this benefit is costing their employer, and employers and politicians begin to take the heat, perhaps some serious research into the reasons medical costs are so high could take place and brought more in line with all of the expenses we live with.

While not necessarily a taxpayer issue, we have noted in recent years many familiar athletic team nicknames and some of our vocabulary has been "cleansed" as a result of "Political Correctness." Marquette University trying to find a suitable mascot for the proposed new name nickname of "Gold" is a current example.

Accordingly, if those offended were really serious, shouldn't we be encouraged to refer to the people who sell Packer and other sports tickets at inflated prices as "Ticket Ransomists", or perhaps "Ticket Extortionists" rather than "Ticket Scalpers?"

A lot of fuss is being made about the Pentagons intention to close a number of military bases around the country. Congressmen are showing concern over the potential loss of civilian jobs and the economy of the cities affected, particularly in their districts. This has never been a major problem in Wisconsin as we never had many military installations to start with. This is something that will have to be worked out as national defense should be the primary concern over politics. The goal is supposed to be saving money.

The Federal Government has announced it may not honor Wisconsin drivers licenses as identification for ~~entering federal buildings or even airline~~ travel. The reason given was that Wisconsin is one of a few states not requiring proof of citizenship when drivers licenses are first issued, so just about anyone can obtain one for identification purposes.

Is this a real problem or another instance of overreaction? It obviously could create massive problems for air travelers from Wisconsin. Even now the Motor Vehicle Dept. seems to have trou-

ble keeping up with renewing licenses every eight years. It would be a huge and expensive task to verify everyone's citizenship and issue new licenses. It also probably wouldn't accomplish much except establishing a new level of interference in our lives.

Hopefully a more sensible solution will be worked out.

There are a half dozen proposals in the Legislature for new "specialty" automobile license plates. The intent is to show support for a organization or cause, and raise support money through the sales of the plates. Now proposed is a blaze orange plate for sportsmen, a gold star plate honoring families with members lost in combat, and a plate promoting the sport of golfing in Wisconsin. All worthy causes with well meaning backers.

The usual plan is to add \$15.00 to the \$55.00 annual license renewal fee which is supposed to cover the additional cost of the special plates. An additional amount is also added as a donation to the cause being promoted such as the Lambeau Field Renovation or conservation issues. A money maker for your charity and the DOT assuming their additional expenses are met.

One problem could be that there are already about 80 special plates in circulation already in Wisconsin, plus all the vanity plates in use. While some states actually have more, you can only choose one for each car you own, assuming you can afford spending more than \$55.00 for your annual registration. Whether the sale of all of these special plates is cost effective for the DOT is up to them to control. Some certainly must have limited customers. Aside from confusion with all of the special plates, it would seem that perhaps new issues at least should be reviewed periodically to assure they are serving their purpose and are not an extra expense to the state.

Amazing that after 45 years it is discovered it may be illegal to consume alcohol in the Lambeau Field parking lot. This is further evidence that perhaps all laws and ordinances on the books should be reviewed periodically. Many seem to remain from the horse and buggy days or

are otherwise obsolete or unnecessary, but like they say, "a law is a law."

The legislatures budget committee has turned down the governor's plan to charge sales or use tax on music, book and movie downloads from the internet. It was estimated this would provide about \$1.3 million over two years. While all revenue to the state is important, this one may have been more of a problem.

First, payment of the tax would be on a largely voluntary basis through reporting "use tax" on your income tax return. Second, it is a safe assumption that many of these downloads are done by juveniles who do not have an income tax liability to report. Keeping track of a few cents sales tax liability here and there could be confusing and likely ignored creating criminals out of users of the internet. This may change in the future, but right now it is a bad idea.

Unless some last minute negotiations occur, the suburbs with the exception of Ashwaubenon will be getting water from Lake Michigan via way of Manitowoc in a couple of years. Time will tell if this was the best solution, and if the suburbs or the City of Green Bay has the best and most economical system.

Perhaps the approach used by the communities involved was faulted from the beginning. Rather than put their cards on the table, along with an assessment of what would have to be done to make a Metropolitan Water District workable to everyone's advantage and looking into the future, we ended up with an agreement to disagree. The lack of a consensus from the beginning left public input out. There will be winners and losers, and what we end up paying for water may effect growth in some communities.

A recent article credited Wisconsin for having the second highest voter turnout in the November Presidential election with 77% of registered voters. Minnesota was highest nationally with 79%. This is something for our state to be proud of. There was no mention however, if this total included

the estimated 4,500 votes counted in Milwaukee which were in excess of the number of persons registering to vote.

The IRS has announced it will close its Green Bay public assistance office, along with offices in Madison and Eau Claire. Cost savings or not, this doesn't seem to make much sense. We assume the office itself will still be maintained. It is just a matter of making people available helping "customers" comply with the law. This could cost Uncle Sam a lot more than it will eventually save.

As usual, lots of things to wonder about.

Jim Frink

"Things That Make Us Wonder" consists of thoughts that occur to us, mostly taxpayer related in some way, coming to mind during the days news events. Some are relatively unimportant and probably not worth commenting about. Others could easily be expanded to full length feature articles worthy of further study and action to protect our interests as taxpayers. Sometimes we try to put a different spin on items from what you read in the papers or see on TV. We try to cover a wide variety of subjects in a limited space, which also illustrates the wide variety of items of taxpayer concern which exist today. We acknowledge that our perspective of some issues in this column may be contrary to that of some our readers. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments are always welcome as well as suggestions for items to include in this section of the "TAX TIMES."

"In America you can go on the air and kid the politicians, and the politicians can go on the air and kid the people." . . . Groucho Marx

The TAX TIMES

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The TAX TIMES - June, 2005

BCTA Meeting and Events Schedule. (Mark Your Calendars.)

Thursday – June 16, 2005. BCTA Monthly Meeting.
Quality Inn, Vinces Office, 12:00 Noon.
Speaker: Jeff Gilderson-Duwe, Director,
Brown County Library System.

Thursday – July 21, 2005. BCTA Monthly Meeting.
Quality Inn, Vinces Office, 12:00 Noon.
Program to be announced.

Thursday – August 18, 2005. BCTA Monthly Meeting.
Quality Inn, Vinces Office, 12:00 Noon.
Program to be announced.

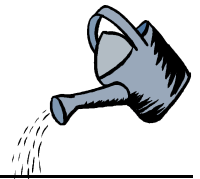
Unless otherwise notified, BCTA monthly meetings are held
the third Thursday of each month, 12:00 Noon, at the Quality Inn.
331 S. Washington St., Green Bay (Enter from Crooks St.).

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

Cost: \$7.00 per meeting, includes tax & Tip, payable at meeting.

Call Jim Frink, 336-6410 for information or to leave message.

June 2005



“Congress is so strange. A man gets up to speak and says nothing. Nobody listens, and then everybody disagrees. . . . Boris Marshalov

“The mystery of government is not how Washington works, but how to make it stop.” . . . P. J. O’Rourke

“When in doubt, do what’s right.”
. . . Harry S. Truman

SUPPORT THE BCTA

New Members are Always
Welcome. Call 336-6410
Write us at P. O. Box 684
or visit our website

www.BCTaxpayers.Org
for Details.