THE TAX TIMES

2010

April-May

Newsletter of the "BROWN COUNTY TAXPAYERS ASSOCIATION."

Volume 25, Issue 6

The "BCTA" or "Good Times at Akropolis High."

OK, lift your head from the page, maybe pause to reflect and think, who is the BCTA?" Are we the Brown County Tax Assets? Many would have you skip the crossed consonant, "t", a public opinion held by a few, yet there clearly exists another popular opinion, a comment so often shared with me, "I'm glad somebody's there to keep em' honest," and that keeps us honest. So it is for conservatives, for all Americans who feel cheated by the political process, the cram downs, ram downs, the deaf ears and blind eyes. Call the surgeon. I want large portions of my government removed, please. And I'd like to prevent the attachment of 16,000 new IRS agents charged with ensuring that we've all bought the RDA of health insurance.

Like the moment before that big curtain parts and the show begins, we anxiously pause, anticipating the opening curtain for the next act, wondering if the end our current most important public drama will leave us at the very least, some sense of satisfaction. Well, an old Greek Guy, Aristophanes who wrote the play, Lysistrata, he knew life just ain't so, and some acts can end with not only a tinge of humor, but with a lot of pain for men and women. Old Ari knew that men most times will give up the war for the pleasure of good sex and not much has changed. Like the women of Greece, conservatives must withhold the pleasure of the nasty retort, the enjoyment felt when a deserving tongue lashing is laid upon the "loser Liberal", whoops I didn't mean that. Hold the tongue when the Dems taut the law of historic proportions.

Well, September 11th or December 7th were historic dates as well and look as we must for the positives in what we face, these events drew us together. Here are some suggestions, first, from my favorite cigar aficionado, P.M.Churchill, "never, never, give up, no matter what else happened.", second, get behind A.G.Van Hollen's effort to oppose Congress's conscription of our Constitutional rights. Virginia was the first state to pass a law exempting itself from the health care abomination. So did Utah. Oklahoma is working on a constitutional amendment. 15 attorneys general are suing to overturn the law on 10th Amendment over-reach and other grounds.

Ours would join them, if he got permission. But AG Van Hollen needs permission from Democrats – Gov. Doyle, Speaker Sheridan, Senate Leader Decker -- who support what Congressman Paul Ryan called "a fiscal Frankenstein ... the mother of all unfunded mandates," - so call these guys, protect our freedom to choose.

Give of your purse and your feet; bring to the folks with your words and a lift to the polls with your car. As when the Grecian women won over their men, they too enjoyed the victory. But to win this war with government, we must give up war, so to speak. Like Ari noted, men most times will give up war for the pleasure of good sex

For common sense conservatives to win, we must hold our tongues, forego the pleasure of a well deserved, near vicious, excoriation of the wrong minded left who hide behind victory knowing the victory came at the expense of generations to come – because they know what's good for us.

When this law is laid to rest, we must not gloat but set about swiftly and businesslike to replace it with state-respecting, consumer-based, cost-effective personal responsibility. Give up the war of words for the Viagra of victory.

Richard Parins - President

The BROWN COUNTY TAXPAYERS ASSOCIATION In our 25th Year of Promoting Fiscal Responsibility in Government.

Statement on Health Care Reform Passage.

The passage of health care reform was a sober reminder that our Congress is more interested in helping Nancy Pelosi than the citizens of Wisconsin. The health reform proposal which was passed will not reduce costs but will increase taxes on every sector of the economy including the most poor and underserved. Most importantly, it has the potential of limiting and rationing care when Americans need it most.

Health care reform is essential, but this is not the measure that will fix our system's problems. I agree that commonsense reforms are needed. Unfortunately, when the bill is implemented four years from now, they still will be. It's tragic that the government takeover today will do nothing to bend the cost curve downward and will only serve to raise premiums and drive costs up. The most unfortunate aspect of the Pelosi/Kagen approach is the high number of hidden taxes that will be foisted on already-struggling families and businesses.

They include such taxes as:

- * Surtaxes on earned income and investment income.
- * Taxes on real estate investments.
- * New marriage penalty taxes.

* Increases in the Medicare tax that would for the apply to: capital gains, dividends, interest, rents, royalties, and other investment income that many senior citizens receive.

* And finally the health care bill contains at least 12 direct and indirect tax increases on the middle class, breaking the Presidents promise of not increasing by "a single dime" taxes on those making less than \$200,000 for singles and \$250,000 for couples. These include-

* A tax on existing insurance plans.

* An individual mandate tax on Americans who do not purchase governmentapproved health insurance.

* Increasing the 7.5% adjusted gross income floor for medical expense deductions to 10%.

- * Limits on Flexible Spending Accounts.
- * Increased penalties for nonqualified Health Savings Account distributions.
- * Restrictions on Health Savings Accounts, Health Reimbursement Accounts, and
- Flexible Spending Accounts.
- * A tax on tanning services.
- * An employer mandate tax.
- * A sales tax on medical devices.
- * A tax on health insurance premiums.
- * A tax on prescription drugs, and
- * A tax on insured and self-insured health plans.

What is most surprising and personally disappointing is the lack of real reforms to the system; medical providers, small business owners, and experts agree that a few reforms would drive costs down. There is no mention of legal reform - so defensive medicine and frivolous lawsuits will continue.

There is no reduction in the cost shifting that takes place from reduced Medicare/ Medicaid reimbursements (Medicare and Medicaid pay health providers so little that providers are forced to charge others more to offset the cost)--and in fact that cost shifting will increase. Decoupling insurance from employment would have also driven down costs and ultimately make individuals more responsible for their own health – in fact this bill makes employers more responsible.

At issue here is the huge financial burden this bill will create for future generations. Fiscal estimates from multiple sources indicate the price tag will be well over \$1 trillion and some estimates put it well over \$2 trillion. Who will carry this burden? My grandchildren and yours.

In short, there are parts of this bill that will harm our economy for generations to come and keep us from turning it around and putting people back to work. We need healthcare reform but this won't fix the problem and worse yet, it's sacrificing jobs for a misguided policy and that simply has too big a price. **Reid Ribble**

The Hidden Deficit.

Wisconsin's nonpartisan Legislative Fiscal Bureau estimates the incoming 2011 state legislature will grapple a \$2.3 billion budget deficit. Compounding the deficit is dropping state revenues as employers continue shuttering their doors and laying off workers.

According to the Department of Workforce Development (DWD) from February 2009 to February 2010, approximately 100,000 jobs have been lost in Wisconsin. Recent numbers released indicate 44 of 72 counties in the state have double digit unemployment rates.

Because of the high numbers of unemployed, the unemployment trust fund (UI fund) – which pays unemployment benefits - is also running a deficit. Projected to hit \$2.4 billion in 2011, it is a hidden deficit reported separately from the state's overall structural deficit.

In 1932, Wisconsin became the first state in the nation to create an unemployment insurance program. Administered through the DWD, the program must comply with federal unemployment laws.

Payroll taxes on employers finance the unemployment trust fund. A portion of employee income is taxed at a rate that fluctuates depending on the solvency of the UI fund. If the fund is low, the rate is high. If the fund is flush with cash, the rate is low. Right now, the rate is high because the fund is running a \$1.1 billion deficit.

With Wisconsin's UI fund in the red, the state must borrow money from the federal government to cover unemployment claims. This money must be paid back which adds to employers' payroll tax burdens thereby reducing capital to create jobs.

In the early 1980's, Wisconsin borrowed \$737 million from the federal government to pay UI benefits. The state paid back the money along with \$125 million in interest.

Of great concern is the pending payroll tax increase required in 2011 to pay back the estimated \$2.4 billion while concurrently continuing to fund ongoing UI benefits. The hidden UI fund deficit's looming increase in unemployment fund payments will be an additional burden that decelerates both employers and the state's economic recovery. **Rep. Kevin Petersen**

"What the large print giveth, the small print taketh away." . . . Proverb

"My reading of history convinces me that bad government comes from too much government." . . **Thomas Jefferson**

Brown County Board Candidates Respond to Spending and Taxing Questions.

For the past several years, the Brown County Taxpayers Association has sent a questionnaire to candidates and incumbents for seats on the Brown County Board of Supervisors asking them to limit county spending in order to control property taxes, and to oppose any efforts to impose an additional county sales tax, which would result in increased spending.

It is our observation that the county option sales tax does not provide property tax relief—it only fuels additional government spending.

The questions we asked this year were:

#1 – "I support limiting Brown County spending to growth in population percent plus growth of inflation percentage. A 2/3 vote of the County Board would be needed to exceed this cap.

Yes_____, No_____.

#2 – Will you oppose any attempt to enact a county sales tax?

Yes_____. No_____.

Candidate responses listed in the next column.

VISIT OUR WEBSITE www.BCTAxpayers.Org EMail, BCTA@ExecPc.Com

Tuesday, April 6, 2010 Be Sure To

VOTE

County Board Supervisors City Council Representatives Local School Boards Town and Village Officials School Spending Referendums

> Vote for People You Trust With Your Tax Dollars.

District	Candidate	Question #1	Question #2
1	Mark Tumpach Adam Warpinski	Yes *	Yes *
2	Thomas DeWane	Yes	Yes
3	Andrew Nicholson	Yes	Yes
4	Tony Theisen	*	Yes
5	Jack Krueger Robert Miller	No *	No *
6	Dan Haefs	*	*
7	Bernard Erickson	Yes	Yes
8	Jesse Brunette	*	*
9	Guy Zima	Yes	Yes
10	Patrick Evans	Yes	Yes
11	Bruce VandenPlas	Yes	*
	John Vander Leest	Yes	Yes
12	Patrick Buckley Tony Klemme	Yes *	Yes *
13	Norbert Dantine	Yes	Yes
14	Pat LaViolette	*	*
15	Carole Andrews	*	*
16	Dave Kaster	*	*
17	Ryan Radue Vicki Van Vonderen	Yes *	Yes *
18	Jack LeDuc Kris Schuller	Yes *	Yes *
19	Mike Fleck	*	*
20	William Clancy John Van Dyck	Yes Yes	Yes Yes
21	Patrick Wetzel	*	*
22	Patrick Moynihan	Yes	Yes
23	Mary Scray	Yes	Yes
24	Tim Carpenter Patricia Hoeft	*	*
25	Thomas Lund	Yes	Yes
	Jerry Vandersteen	Yes	Yes
26	Carlene Felmer Steven Fewell	Yes *	Yes *

An asterisk (*) indicates the candidate either did not respond to our survey, or did not reply to the specific question.

Again we thank the candidates who answered our survey and appreciate the commitment they have made in seeking public office. Rick Hood – BCTA

March Meeting Notes.

Dr. Trager speaks to BCTA.

Monthly meeting of the Brown County Taxpayers Association held Thursday, March 19, at Titletown Brewing,

Dr. Marc Trager, candidate for the Eighth Congressional District seat, presented his credentials and his perspectives. After graduating from Tufts University, he served as a Major in the U.S. Air Force, practicing radiology. He is retired from his practice of 30 years as a radiologist. He stated that his campaign is based upon the essential traits of character, integrity, and ethics.

"I want to be your representative," he said.

Dr. Trager said that our \$12 trillion national debt is unsustainable. To restore the health of our economy, he said we must control spending, freeze budgets, and maintain the Bush tax cuts. He supports lower taxes, less government regulation, and a comprehensive review of the current tax code. He explained that our county's financial woes did not result from inadequate regulations, but from regulators not doing their jobs. Present laws must be enforced before more laws are passed. He stated emphatically that national defense is the nation's number one priority. We must maintain secure, safe borders.

Dr. Trager explained that costs for new technology and entitlements for people not paying into the system are major contributors to the increasing costs of health care. He proposed his own solutions for making healthcare costs more reasonable: 1. Enlarge health care buying pools. 2. Allow insurance purchases across state lines. 3. Increase availability of health savings accounts. 4. Enlarge high-risk pools for pre-existing conditions. He noted that the more we let government do for us, the more control we lose.

Green Bay School Superintendent Greg Maass, Assistant Superintendent for Business/Finance Alan Wagner, and School Board Member Mike Blecha were present to answer questions about the \$16.7 million referendum on the April 6 ballot.

Dr. Maass noted that per-pupil costs for the Green Bay School District are below the state average. He stated that the building maintenance projects in the April 6 referendum are high priority and the technology item is to replace inconsistent computer platforms. He explained that the six-year term of the financing is very short for a school referendum. Questioned about the fifth high school referendum three years ago, board member Blecha rationalized that the decision to build a fifth high school was based upon the best projections available at that time. Explaining why the Board chose to establish four-year-old kindergarten instead of spending the money repairing leaking roofs, he claimed the four-year-old kindergarten program would be self-sustaining by its third year, without elaborating on what that means. Assistant Superintendent Wagner explained that, since the district is self-insured, medical cost projections are difficult to make. He declined to reveal the wage increase percentage used to prepare the budget. Members suggested that holding the wage increase closer to the CPI increase would allow more funding for building maintenance.

The meeting was adjourned at 1:30. The next meeting will be Thursday, April 22, at Titletown Brewing Co. Speakers are being arranged. **Dave Nelson – Secretary.**

The April 6, Schools Referendum.

The following article was submitted for inclusion in the Sunday, March 28, Green Bay Press-Gazette.

"The Green Bay School Board, the teachers union, and the Chamber of Commerce urge voters to approve the referenda on April 6. Since this same trio endeavored to sell the folly of an unneeded 5th High School not long ago, skepticism is not without justification. The Brown County Taxpayers Association cannot support the referenda as it asks taxpayers to incur more debt to bail out the School Board from a situation of its own making. At the same time, the BCTA has elected to not actively oppose the measures. Why? Because in our view opposition would make the pre-vote discussion a debate over whether the roofs need fixing (they do) rather than an examination of whether the School Board is adequately managing the financial aspects of this quarter-billion dollar enterprise. We do not have confidence in the Board's financial management, nor its regard for district taxpayers.

For years, the Board has failed to insist upon a prudent plan of routine maintenance and replacement, resulting in today's situation. Ending last fiscal year with a surplus of eight million dollars the board added that money to its already healthy "fund balance" rather than use it to address building needs or reduce taxes. Board members say the fund balance enables the district to avoid short term borrowing, but not using those dollars results in their request for taxpayers to incur long term borrowing! Be reminded that this year they also added another 3.5 million dollars to your property taxes.

We have closely examined, and are not impressed with, the district's annual "budget cut" exercise. It is based upon inflated projections of costs for the upcoming year making the revenue-to-expense gap artificially high and creating a false "budget cut crisis". Over the past four years this exercise has led to claims with much fanfare of 122 teachers being cut, yet the district acknowledges they have subsequently added 82, making the real, net reduction only a fraction of the claim. Is this management, or theater?

The unjustified wasteful emeritus program continues, teacher contract settlements and management staffing ignore economic reality, and misuse of the Community Service Fund has local property taxpayers inappropriately shouldering 3.2 million dollars in costs which otherwise would be shared with the state.

Do you have confidence in the School Board? Voters will have to decide. Read more about our concerns with district finances at **bctaxpayers.org**." **Rich Carlstedt - BCTA** *Schools Committee Chairman*

"Last year the House was passing bills without reading them. This year, they're passing them without voting on them." . . . Newt Gingrich

"Congress is getting ready to pass another jobs bill, which means they don't create any jobs. We just get the bill." . . . Jay Leno

"If a free society cannot help the many who are poor, it cannot help the few who are rich." . . . John F. Kennedy

The Right Thing?

Using the nation's health insurer's as whipping boys, and citing the dire need for Health Care Reform, President Obama and his staff crafted, pushed, and pulled a rather controversial national health care bill through Congress and quickly signed it into law.

There is probably universal agreement that something had to be done about our healthcare system. The cost of insurance and healthcare was skyrocketing, with little end in sight. The quality of care was excellent, but beyond the price of many.

There has been enough said already about the methodology that was used passing this legislation, and as is always the case with any major laws, there are some winners and some losers, and this one may take a while to sort out.

While debate was going on, the administration always kept focused on the positive aspects of their proposal, and as soon as the law was signed, the *Press-Gazette* and we are sure every newspaper in the country gave the story front page billing. Included for Wisconsin citizens were:

- Extending coverage to 17,500 presently uninsured residents.
- Protecting 1,200 families from bankruptcy due to health costs.
- Guarantee that 7,400 residents with pre-existing conditions will be able to obtain coverage.
- Provide tax credits and other assistance to as many as 186,000 families and 17,200 small business to help them afford coverage.
- Provide millions in funding to provide community health centers.
- Mandate that dependent children living at home to age 26 be covered by their parents group insurance.
- Savings of \$840 Billion. This statement misleads people to believe the plan actually saves them and the country money, and sounds good when Obama or Pelosi say it with a straight face. It is difficult to understand however in view of the new taxes being imposed and the overall cost of the plan. It simply looks like a number they picked out of the sky because it's less than a Trillion. You figure it out.

These are just a few of the good benefits covered, and the cost of any one of them could add considerably to the cost of an individual policy or to a business providing group insurance. The final document was in the neighborhood of 2,700 pages so we are sure there is something in it for everyone. Funding for abortions was eliminated at the last minute as a ploy to receive sufficient votes for passage and only time will tell how many sweeteners were added along the way to gain the support of special interest groups.

We are certain other controversial items will surface as the legislation is implemented. Unfortunately in the haste to push the bill through, and the conflicting rhetoric from both sides of the debate, it will be difficult to determine how anyone will fare compared to what they pay for health care, or the quality of health care they receive. One article from the March 25, *USA Today* claimed a retired couple will need \$250,000 to pay for their health care. The Obarna administration has only focused on what they consider the good points and how badly reform was needed while the status quo claimed the system works quite well as it is and why destroy it.

The full impact of how this bill will be paid is one big question. Presently the economy is at a low point, with deficit spending exceeding anything ever seen in this country. There is an excellent article by Congressional Candidate Reid Ribble elsewhere in the Tax Times. However, we know there are other taxes and fees in the works which could break the bank. New taxes paying for an unpopular program will not be acceptable to many, and may well cause more unemployment. There is no guarantee that the bill will provide care even at the present level we are accustomed to, or if the medical profession will format itself to what is being asked. Moreover, there is another level of federal bureaucracy involved in overseeing the medical profession which may prove to be expensive and unpopular.

Finally, there are penalties and fines for individuals, business, and medical practitioners for non-compliance and the writers of the bill seemed to have deliberately left out tort reform which is one of the biggest reasons medical care is so expensive today.

Like Nancy Pelosi said, we can't wait another minute to get this health bill passed, and the American people won't know all of the wonderful things that are included in this bill until it's passed.

True to her word they didn't wait long to get the bill passed, and true to her word, we are now starting to find out what 2,700 pages of double talk can hold for us.

Jim Frink – BCTA

The Cost Of The Global Warming Bill Mandate.

Without a doubt, the costliest aspect of Governor Doyle's Global Warming legislation is the proposed mandate requiring 25% of the state's energy to come from renewable resources by 2025. The Public Service Commission's Strategic Energy Assessment suggests that Wisconsin electric utilities will have to spend approximately \$15 billion over the next fifteen years to comply with the proposed "25-by-25" state government regulation.

As mentioned on many previous occasions, the inconvenient truth about utility costs is that utility customers end up picking up the tab. The more difficult question to answer is how much more will utility customers pay on their electric bill if the 25-by-25 mandate is put into effect. Thanks to the Cooperative Network, utility customers can now estimate that cost.

On the homepage of their website --- www.cooperativenetwork.coop, the Cooperative Network has posted a "Clean Energy Jobs Act Electric Bill Calculator." I encourage all of you to visit the site and calculate for yourself how much more you will pay a month for electricity if Governor Doyle's 25-by-25 mandate is enacted into law. It is very easy to do. All you need to make the calculation is your most recent electric bill. **Rep Phil Montgomery**

"The most terrifying words in the English language are: I'm from the government and I'm here to help." . . . Ronald Reagan "If stupidity got us into this mess, then why can't it get us out?" . . Will Rogers

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

E-Mail BCTA@ExecPC.Com.

Just Do The Right Thing.

With all the Health Care debate, the Zippin Pippin purchase, and the massive School Referendum pitch, it's hard to keep ones sanity.

In the midst of all this rhetoric and controversy, insert one more item that also has a number of opponents.

That concerns the location of the County Police HQ. If all decisions were made properly not politically, this would be a nobrainer, since the man most qualified to decide where to place it, Tom Hinz, has more experience and knowledge than anyone in office in this area, and I challenge any detractor to disagree.

To those not aware, Tom was a captain in the Green Bay Department before he became the Sheriff, and served on the County Board before he became the County Exec. The ideal location of course, is the former S&L building in Belleview that Tom advocates.

This makes far more sense than the site some advocate, moving out near the MHC, requiring more fuel and travel time for many officers, to say nothing of the expense of building a new facility, rather than remodeling an existing one already well suited for the purpose

It would be nice for once to have our County Board unite and vote intelligently and responsibly.

Do you read me Guy??

Otto Junkermann, BCTA

National Debt Update.

At the end of March, 2010, the United States National Debt reached a total of **\$12,662.710,824,171.00**, or an increase of about **\$233.7** Billion over the total at the end of February, give or take a couple of Billion.

Congress and the administration are really on a roll. Last month the increase in debt was <u>ONLY</u> about \$70 Billion, or closed to the average of \$2.5 Billion more per day since Pres. Obama took office. For March the average was closer to **\$7.5 Billion per day** and free Government Health Care hasn't even started yet.

A few other items of interest. The official National Debt amounts to \$40,985 for each U.S. Citizen. However since not every citizen qualifies as a taxpayer, the share of the debt each taxpayer owes is \$115,400. Maybe if each of us took out a loan for that amount and gave the money to the government it would solve the problem. What would the annual interest on \$115,400 be? Probably a lot more than most of us pay in taxes.

The story is that as soon as the controversy over Health Care settles down, Immigration Reform (amnesty) for the estimated 11 Million illegal aliens in our midst will receive top priority in Congress.

Assuming these new citizens will shortly become eligible for our benefits perhaps a payment from each of them in the amount of \$40,985 would be fair compensation. That figure does not include unfunded liabilities for Social Security, Medicare, or Obamacare. To see the National Debt Clock and about 40 other key numbers in action go to **U.S.National Debt Clock.** Jim Frink – BCTA

Next Tax Times Will Be The June Issue.

Please note that this Tax Times is for April-May, 2010. The nest issue will be for June and give us chance to catch up with all that is happening. Our meeting schedule is on the back page of this issue. Thank you. JF

Wisconsin Ranks 7th For Highest Job Losses – Still Waiting For Meaningful Action On Job Creation.

The U.S. Department of Labor recently released a report showing that Wisconsin ranks 7th nationally for states with the highest number of job losses. The report reveals that Wisconsin and eleven other states have fewer people working today than at any time in the past decade. In fact, our state's workforce hasn't been this small since March 1995.

In January 2009, the City of Green Bay's unadjusted unemployment rate was 10.4%. Figures released this week by the Department of Workforce Development (DWD) show that this number rose from 11.2% in December 2009 to 12.8% in January 2010. Among cities statewide, Green Bay now has the 7th highest unemployment rate. Wisconsin's statewide adjusted unemployment rate is 8.7% compared with 9.7% nationally. Sadly, these figures go even higher if you include the number of individuals who have stopped looking for work since they are not counted when calculating unemployment rates.

Another U.S. Department of Labor report from the beginning of the year showed a 4.3% decline in the number of private businesses in Wisconsin in 2009 compared with the same time in 2006. The biggest declines came from firms with at least 100 employees. However, in that same time period a 7.8%; increase in the number of private businesses was seen in Illinois, as well as 2.2% in Iowa, 0.4% in Minnesota, and 6.1% nationally. Michigan is probably the state that has been hit the hardest by the recession, and although it was expected that they would see a decline, it is interesting to note that their decline was only 1.7%, significantly less than the 4.3% decline experienced here in Wisconsin.

Wisconsin used to be a national leader in manufacturing. Not only do manufacturing jobs typically provide some of the best wages and best benefits available to families, but a strong manufacturing sector also supports jobs in many other sectors of the economy. A perfect example is how the closing of the GM plant in Janesville didn't just effect the folks at GM. It had a ripple effect across the whole area causing numerous other businesses to close their doors as well. An analysis of data provided by DWD shows that fifty years ago the number of manufacturing workers in Wisconsin outnumbered government workers by a 3 to 1 ratio. Today, the number of government jobs outnumbers manufacturing jobs. This is a disturbing trend that must be stopped and reversed.

These alarming statistics come as no surprise since Wisconsin's business climate is ranked the 3rd worst in the nation by Forbes Magazine and 9th worst by the nonpartisan Tax Foundation. Jobs are not created in a vacuum. You need a business to create a job, and you need a successful business to maintain that job and create more jobs for others. Burdening businesses with over-regulation and over-taxation can only result in pushing employers out of state, out of country, or out of business. None of those options help put Wisconsin employees back to work.

Rep. Karl Van Roy

Things That Make Us Wonder.

POSTAGE INCREASING AGAIN?

Citing internet competition and the economy in general, the U S Postal Service is considering a number of cost cutting steps along with more rate increases., Watch out.

They claim to be an independent entity, but unfortunately Congress sets the rules by which they operate. While the solution every time the USPS needs more money seems to be raising the price of first class postage, is this the only answer to solving their financial problems?

Non-profits are able to flood the mails soliciting funds for their causes at a fraction of the amount we pay to mail a letter. Bulky newspapers and magazines chock full of profitable advertising receive unbelievable rates and expedient delivery. The USPS uses the argument that once a level of service is established they cannot reduce it. This doesn't seem to apply to individual rates.

They have established a system of codes and rates rivaling the IRS in complexity with employees that seem to spend more time deciphering and following their own archaic rules than just plain delivering the mail.

It will be interesting to see how good of a job government does with health care.

THERE OUGHT TO BE A LAW.

I recall that we were taught in grade school civics that the sign of a good legislator was the ability to work with his constituents to seek out concerns that could only be improved by law, and then proposing new laws and guiding them through the legislative process. It also seemed that legislation was once debated on its merits rather than party doctrine, receiving bi-partisan support so as to benefit the majority of people and the state.

Things have gotten out of hand. We have laws regulating just about every aspect of our daily activities. Even down to what we eat or drink, or the mascots and used by high school sports teams. The question is, do we just need more laws or fewer laws with more common sense?

A March 3, news item told of the Governor signing 31 new bills in to law, another 11 bills became law on March 10. Each year dozens of policy items become law as a result of the state budget. We acknowledge that regulations are a necessary part of our society. However many of these laws seem to apply to a specific local problem introduced to address special interests of limited constituency. The phrase "penalties and fines to apply" usually accompanies each new addition to the state statutes creating more work for our already overburdened legal system

Is it a problem? Ten years ago the Wisconsin Statues filled about 5,000 pages of print. The 2009-2010 edition will take over 7,000 pages, In other words, our legislature is adding about 200 pages of laws to the statutes each year. The Federal Govt. is likely worse. This doesn't include the necessary explanatory regulations which must be prepared in order to explain new laws to interested parties.

Unfortunately a specific law or absence of one doesn't necessarily make ones actions legal or illegal. That's what keeps our courts and law firms busy.

At one time we had a commission charged with "Sunsetting" archaic or frivolous laws. They must have rode into the sunset to cut expenses. It would probably be less expensive than the army of clerks we must have in Madison who keep the statutes up to date.

You can order a 5 volume hard cover set of statutes from Wis. Document Sales for \$76.00, which includes shipping. Not a bad price for something which probably cost taxpayers at least \$1,000 each to compile and print and is used primarily by law firms and judges.

PUT IT TO A REFERENDUM!

A survey by the UW-Milwaukee indicated that about 50% of people in the southern part of the state favor a high speed rail line linking Chicago, Milwaukee and Madison but only 34% would support an additional sales tax to pay for the project.

UW SALARY INFO. AVAILABLE.

How much do Wisconsin's college professors and other employees eam? An article in the Wisconsin State Journal directs you to WWW.UWSA.Edu/Budplan, which connects you to the UW systems "Annual Redbook", listing the annual earnings of 38,438 system employees by name, title, campus, division, department and unit.

It does now cover their workload, or value of benefits received in addition to their salaries however.

* * * * *

WHO PAYS CORPORATE DONATIONS.

In January the U. S. Supreme Court ruled that corporations and their managers would not be restricted in the amount of their political contributions. How this will effect future elections has yet to be determined. An article in *"Forbes"* pointed out that if a corporation contributes and discloses funding for candidates and causes contrary to the philosophies of their shareholders they may have more explaining to do at their annual stockholder meetings.

* * * * *

SEEKING THE TRUTH.

House Speaker Nancy Pelosi recently made a statement to the effect that it was important to pass the Health Care Reform Act quickly so the "American people could actually be able to find out what is in it for them." All 2,700 pages no doubt.

We wonder if she ever gave thought that this is the very reason so many people seem opposed to the plan.

DOING THE RIGHT THING.

Sheboygan County has been seriously considering imposing the .5% sales tax for county purposes. After several months of debating the usual arguments for, and reasons against along with listening to protests from business and residents their county board voted 22-12 against the proposal.

FOR YOUR HEALTH OR OUR WEALTH?

Claiming it would be beneficial to peoples health as well as a source of revenue, some communities are proposing a tax of as much as .12 cents per can of pop. New York City claims it would generate a billion dollars a year.

The federal, states, and local govemments are all coming up with things to tax, and in come cases competing with each to impose taxes before other units of government beat them to it. Sooner or later we are going to run out of items and services to tax.

* * * * *

A WINDMILL IN YOUR YARD?

We recently saw a series of TV ads claiming that Wisconsin residents spend \$16 Billion annually to import energy, and that the solution is more renewable energy.

There re likely some applications where wind and solar power could be used but presently the greatest use of imported fuel is for transportation, heating and industrial uses which do not easily adopt to windmills or solar panels. Recently residents of the Town of Morrison opposed a windfarm

proposal by a vote of 245 to 18 so there could be a lot of public relations work left to do.

PRIMARY ELECTION DATES VARY.

It is interesting to note that with the Important congressional elections on Nov. 2, not all state hold their primary elections at the same time. This is significant as this year there will be many hotly contested races, many of them heating up already. Obviously candidates in the states with the earliest primaries make it easier to get the primary races out of the way and concentrate on the final general election. Also, we would assume it is easier to raise the necessary funding once the final candidates are determined.

For example, 10 states have primaries in May, 14 in June, 14 in July and August, with the balance in September. In Wisconsin we won't know until Sept. 14 who the final candidates for Governor and Congress will be. Why is Wisconsin always different?

* * * * * EVERY PENNY COUNTS.

The UW-Green Bay claims it can save big money for both taxpayers and students by simply changing the font style on all of the E-Mails it sends out. Would reduce both ink and paper consumption.

Sounds great! Just think how much money the Federal Government could have saved if they would have printed their 2,700 page Health Care proposal on both sides of the paper instead of one, used double instead of single spacing and perhaps a smaller type.

They could have reduced it to 500 pages which wouldn't have made much difference because the members of Congress for who it was intended still would not have read or understood it anyway.

SIT DOWN AND BE COURTED.

The 2010 Census is extremely important to all of us. For starters, it could very well decide that Wisconsin could lose one of its Congressional seats. The Census Bureau is charged providing accurate demographic information used by both public and private entities for research and decision making.

Then there's this incredible form addressed to "occupant" which we all received in the mail which is supposed to be the cornerstone of all the information they develop. We all appreciate the PC obsession over privacy our government preaches but why does the form ask for your age **AND** date of birth unless they are checking your math or want to send everyone a card on their birthday: U.S. Citizen or not.

While statistics about income, work status, citizenship status, and a host of other more personal items will be developed by the bureaus sampling methods, the question is why does the form use so much space inquiring about race and color? Two vital questions are missing, possibly by design. One is if the person listed is a legal U. S. citizen, and the other is they seemed to avoid asking if the person is of Muslim or Arabic origin.

It will be interesting to see the final results. The Census Bureau has an \$11.8 Billion budget and is hiring "hundreds of thousands" of part time workers for the project. We should know more than how many *Guamanians* or *Fijians* are among us.

WHOSE PROBLEM IS THIS?

Called the \$2 Trillion Hole, the taxpayer liability to pay for public-sector employment retirements and benefits may be the next problem facing the country after we get health care figured out.

Unlike mandates which the government has placed on private plans, many public plans offer guaranteed benefits but do not necessarily have reserves set aside to pay for them. One way or the other those are a taxpayer responsibility due to the wording in their contracts.

Another potential problem could be if in fact there is a big turnover in Congress this fall, those guys get their full salary and benefits for the rest of their lives.

SPENDING IS THE PROBLEM.

We commend the Brown County Board of Supervisors for asking department heads to control their budgets and not to raise the tax levy for 2011, as reported in the March 1, *Press-Gazette*.

That is basically what the BCTA has asked candidates and incumbents to consider on our "taxpayer pledge," the results of which are printed elsewhere in this *TAX TIMES*.

We realize that state mandates which in effect transfer expenses from the state to the counties, and economic conditions in general make this a challenge but fiscal responsibility is part of the job.

IS NON-PROFIT TAX EXEMPT?

An article in the March 1, New York Times relates that certain states are looking at the tax exempt status of non-profit organizations as a source of revenue. In most cases they are exempt from sales taxes, property taxes, and receive other considerations at taxpayer expense.

Making charities and non-profits tax exempt probably was no big deal when all the taxes we have today were formulated. However many of these organizations are well funded and in many cases compete with private industry. Their facilities require fire, police, and other infrastructure paid for by taxpayers and are an expense for others whether they use their facilities or not.

There are entities in the City of Green Bay that while maintaining a legitimate "tax-exempt" status still pay an agreed upon fee to the city in consideration of the services they receive. As pressure mounts to provide public benefits this is something that perhaps should be examined for consideration.

WHO WATCH'S BIG BROTHER.

It seems that every problem which comes before the Federal Government ends with a promise pledging taxpayer money to remedy.

Early in March President Obama "pledged" \$900 Million to stem the "dropout crisis" in the nation's schools. Federal aid is made available for everything from mortgage assistance to job creation. How many Billion dollar bailouts have we seen. How much energy is saved by helping someone pay for new appliances at taxpayer expense? Cook County, IL, was just awarded \$16 Million of our money to fight obesity.

The big question is where does the money go?, how is it used?, and what, if any are the positive results?

* * * * *

CITIZENSHIP BY DEFAULT.

Immigration reform likely will be the next big item on Pres. Obama's ambitions agenda, and could be as contentions as what we are seeing with healthcare.

The issue is the 11 Million or more undocumented immigrants living in the country who for the most part of entered illegally.

We acknowledge that many have mainstreamed, and become self supporting. At the same time laws regarding welfare payments, social security, income taxes, drivers licenses, school attendance, and any others you can think of which are benefits of being an American citizen have gone ignored.

While amnesty seems to be what the Obama administration is promoting, their motivation seems to be more votes and power. Amnesty was tried at least twice during previous administrations. Each time perhaps half of the illegals applied getting a free lunch from you and me. The others were fearful of being caught, remained underground, and only encouraged more of their countrymen to sneak across our boarders with the knowledge that as soon as the situation created another public uproar whoever is president would again declare amnesty.

GIVE ME MY BENEFITS.

If you wonder why there was no more public outcry over the outlandish "Health Care Reform Act" approved by Congress, you have to look at some numbers.

The Tax Foundation recently disclosed 36% of income tax filers in 2008 had no tax liability. A family of 4 can earn up to \$51,000 and have no tax liability. Tax credits for various programs, plus the many people living on government assistance complicates the situation.

In Wisconsin 39% of school children qualify for free or reduced price meals, and in some districts the number is over 50%. Many families qualify for govt. food stamps.

The point is, there are so many people already living off of the government, or otherwise not paying for their entitlements, that any new benefits or perceived benefits they may receive are welcome, regardless of the economy or who pays for them.

YOUR MONEY IS IN THE BANK.

Although it was not expected to happen until 2016, and even with a freeze on benefits, 2010 will be the first year that social security payments will exceed income.

In spite of increased contribution rates to the plan by workers and employers, the economy and the increased numbers of plan participants are the problems.

There is supposed to be a \$2.5 Trillion trust fund placed in Treasury Securities which means borrowed to the government to pay some of their other bills.

MVD TO REGISTER VOTERS?

Now our legislature is seriously considering a bill that would automatically register people to vote when they obtain a Wisconsin Drivers License. Doesn't the MVD have enough to keep busy with already? THE MAYTAG REPAIRMAN.

In January President Obama issued an executive order to create a deficit cutting commission to "start whittling down the nation's government debt.

So far, no one has heard what has happened to the plan.

TV STATIONS GET A BONUS.

In January, the U. S. Supreme Court issued a ruling ending many restrictions on corporate contributions to political campaigns. At first Wisconsin lawmakers were opposed to the plan as relates to state elections but have since decided to allow more corporate contributions. No doubt the coming elections this fall had something to do with their decision.

The Government Accountability Board has, however retained rules requiring groups sponsoring issue ads register with them 60 days prior to a general election. It didn't say however, that whoever sponsored their ads had to make it clear to viewers who was paying for them.

* * * * *

THE DNR STRIKES AGAIN.

Finally, the DNR has mandated mew rules to reduce phosphorous from entering the water supply. While this may be a necessary more, it seems to be the perfect example of an unfunded mandate.

It is estimated to cost municipalities across the state at least \$4 Billion to comply.

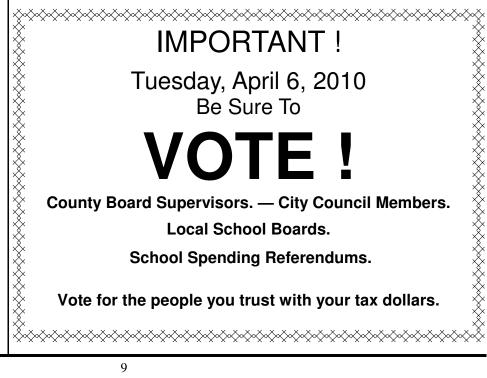
Appleton estimates it will cost \$50 Million and in Green Bay it could cost \$223 Million to up date the Sewage Disposal plant and double the operating budget to \$45 million a year.

As usual, lots if things to wonder about. Jim Frink

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

"On account of being a democracy and run by the people, we are the only nation in the world that has to keep a government for four years, no matter what it does." . . Will Rogers

"I don't pass the buck, nor do I alibi out of any decision I make." . . . Harry S. Truman



The TAX TIMES

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Inside This Issue

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The TAX TIMES - April-May, 2010

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Tuesday Thursday	April 6, 2010. Spring General Election. <u>BE SURE TO VOTE !</u> April 15, 2010. BCTA Monthly Meeting. 12:00 Noon. Titletown Brewing Co., "Frost Room" Speaker – Marc Savard, 8th District Congressional Candidate
Thursday	May 20, 2010. BCTA Monthly Meeting. 12:00 Noon. Titletown Brewing Co., "Frost Room" Program, Speaker and discussion of current events.

Thursday June 17, 2010. BCTA Monthly Meeting. 12:00 Noon. Speaker-SCOTT WALKER, Candidate for Governor. *Details in the June TAX TIMES.

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at Titletown Brewing Co., 200 Dousman St.

Meetings are open to the public.

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

COST: \$8.00, Payable at meeting. Includes lunch, tax & tip. Call Tom Sladek – 499-7701 for information or to leave message.

* Note: We will not publish a Tax Times for the Month of May.



"The problem with socialism is that you eventually run out of other peoples money." . . . Margaret Thatcher

"Ninety percent of the politicians give the other ten percent a bad reputation. . . . Henry Kissinger

SUPPORT THE BCTA New Members are Always Welcome. Call 499-7701 Write us at P. O. Box 684 or visit our website www.BCTAxpayers.Org

for Details.