



Cut, Cap and Simplify.

"I won't be happy until everyone who wants to work has a paycheck ... and those paychecks are fitting the bills." -- Pres. Obama at July 22 speech at the U-Maryland-College Park.

I hope the President isn't counting on being real happy any time soon. Bills are supposed to fit paychecks, not the other way around, but not surprising from a man who never made a payroll.

But, it's little statements like that which endear you to unionites who feel entitled to live beyond our means to compete in the burgeoning global economy. So, I expect you to keep making them.

And statements like that which lay bricks on the growing wall between ivory-tower idealists like you and real-world, common sense conservatives and everyday folks who believe in personal responsibility. So, I simply dismiss the statement as another designed to get my goat.

Then, in the next breath, you talk about making government live within its means. What? About FACE! Can you any more thoroughly confuse us? Why do worker paychecks have to fit their bills ... while govt bills have to fit its paycheck? Is there yet another double standard in play?

Or is it just your double-talking again? How do you propose making government live within its means? Here's where the blue bleeds through: by taxing the wealthy. Government will live within its means by boosting its means. Which in this case means piracy, looting the successful.

It reminds me of those old Miller Lite ads – Tastes great! Less filling! How do we solve government debt – more revenue or less spending?

You and you Democrats gather on the left side of 1600 Pennsylvania Ave. and shout, "MORE REVENUE!" While Republicans amass in Lafayette Park shouting "LESS SPENDING!"

And no one wants to meet in the middle because they fear the angry votorists would run them over. Well, standing and shouting across the chasm might also get you run over. DO SOMETHING!

Seems simple to me. We can all get some of what we want. First, cut tons of spending. You both seem willing to do a bit of that. As for the "more revenue" crowd ... get them together with us in the "tax simplification" and "anti-corporate welfare" caucuses and axe a buncha special interest deductions and credits and subsidies. Yes, someones Ox will be gored, but let's take a page from Gov. Scott Walker's playbook and be happy the herd is still working, everyone kept a job, and the United States saved an economy.

Our Congressman, Reid Ribble, offered the "Cut, Cap and Balance" act passed by the House but quashed by the Senate. Would be a simple change to make it "Cut, Cap and Simplify."

Not that I am strongly opposed to a Balanced Budget Amendment. But I support personal responsibility more. The amendment, if enacted, would be just another way of abdicating government responsibility. And Lord knows, we have seen on the state level how accounting legerdemain can make the unbalanced appear balanced.

Call our delegation and pass this message along to Congress' new super-committee on deficit reduction: Skip the gimmickry and just do it. Cut, Cap and Simplify!

Richard Parins — President

The BROWN COUNTY TAXPAYERS ASSOCIATION
In our 26th Year of Promoting Fiscal Responsibility in Government.

July Meeting Notes.

Tax Increment Financing Explained.

Monthly Brown County Taxpayers Association meeting held, Thursday, July 21, 2011 at Titledown Brewing.

Elaine Willman, Village of Hobart Director of Community Development, and Andrew Vickers, Hobart Village Administrator, explained the use of Tax Increment Financing (TIF). In 2009, the Village of Hobart established a TIF district to develop the Centennial Centre at Hobart. The development was necessary to increase the Village's tax base to offset the continual losses from land being removed from the local property tax base and placed into federal trust. Village President Rich Heidel noted with pride that the Centennial Center development was accomplished without any Stimulus funds or any federal or state funds. He stated that municipalities should support, but not incentivize, development.

Mr. Vickers stated that there were 25 Tax Increment Districts (TIDs) in Brown County in 2009 when the Centennial Centre project was started. He provided several rules for development using TIFs:

- Never use general fund dollars for development.
- Base value remains constant for all taxing authorities (schools, etc.)
- The TID can't exceed 12% of the municipality's equalized value.
- The maximum life of a TID depends upon the purpose of creating it, and a TID can be amended or expanded if necessary.

The Village of Hobart just established its second TID in the West De Pere area.

State Senator Rob Cowles explained that he did the right thing by supporting Governor Walker's budget repair bill. He noted that as a result of the budget reforms jobs are up in Wisconsin, which validates Governor Walker's agenda to make Wisconsin more competitive.

Schools: Our questions about the use of Fund 80 have been transmitted to State Senator Frank Lasee who is a member of the Fraud and Abuse Committee in the Senate. It was agreed that the recall elections in Wisconsin are really about the unspoken issue: the continued collection of union dues by school districts and municipalities for the unions.

County/Municipal: The Brown County Board rejected a proposal to require customers to pay before pumping gasoline at service stations by a vote of 22 to 1.

The next BCTA meeting is scheduled for August 21, at Titledown Brewing. The speaker will be Harry Maier, Chairman of the Green Bay Redevelopment Authority.

Dave Nelson—Secretary

"Public Interest, is a term used by every politician to support his ideas."
... W. M. Kiplinger

"Politicians are interested in people. Not that this is always a virtue. Fleas are interested in dogs."
... P. J. O'Rourke

"Politics is the entertainment branch of industry."
... Barry Goldwater

VISIT OUR WEBSITE
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Wisconsin Taxpayers Overcharged.

Wisconsin taxpayers have been overpaying hundreds of millions of dollars because of government union collective bargaining just in health insurance for teachers alone

Evidence keeps pouring in that the tools provided by the government union reform and the two-year State Budget passed by Republican majorities and signed by Governor Scott Walker are saving school districts and municipalities hundreds of millions of dollars while preserving vital services and avoiding massive layoffs.

Savings are coming from government union employees paying portions of their pensions and health insurance premiums and also because of changes in insurance providers and work rules that caused inefficiencies.

Changing health insurance carriers from WEA Trust to other providers is saving school districts. Taxpayers have been overcharged for years by WEA Trust – the provider of health and life insurance to the majority of Wisconsin's 100,000 teachers. WEA Trust had the contract for 60 percent of the state's 424 school districts. Many teachers union contracts required that WEA Trust be the health insurance provider, period, no matter the cost.

Because of government collective bargaining changes, that ability to require WEA Trust as the sole source has been eliminated. Many districts are switching from WEA Trust to competing carriers. Some are letting WEA Trust match the lowest bid, even though they have been overcharged for years.

The following are some of the savings that have been reported so far:

- ◆ **\$3.1 million in the Appleton Area School District;**
- ◆ **\$1.1 million in the Hudson School District;**
- ◆ **\$1 million in the Germantown School District;**
- ◆ **\$878,000 in the Elmbrook School District;**
- ◆ **\$821,000 in the Kimberly School District;**
- ◆ **\$690,000 in the Hartland-Lakeside School District;**
- ◆ **\$660,000 in the Baraboo School District;**
- ◆ **\$500,000 in the Edgerton School District;**
- ◆ **\$380,000 in the Ashland School District;**
- ◆ **\$260,000 in the Dodgeville School District.**

The savings for just those 10 school districts adds up to more than \$9.4 million. And, the savings will keep coming.

It seems that WEA Trust has been overcharging Wisconsin taxpayers for years. WEA Trust was formed in 1970; by 1977 it was the 13th largest health insurer in Wisconsin because the teacher's union bargained to make WEA Trust their provider, even if it was more expensive than other

Senator Frank Lasee

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.

I'm From The Government and I'm Here To Help. *Chris Dodd and Barney Frank to the rescue.*

"Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong solutions." is a quote generally credited to the famous comedian Groucho Marx. While we realize this may not be the intended route followed by our well intended elected officials, it seems that is how things end up happening.

A perfect example is the *"Dodd-Frank Wall Street Reform and Consumer Protection act"* which was approved by Congress along party lines and signed into law by Pres. Obama July 21, 2010. Recall the economy was already weakening when Obama was elected. One of his first initiatives was to move billions of federal dollars into various stimulus programs, including bailout funds for large banks, brokerage firms and the automotive industry. The jury is still be out as to whether this influx of federal money did or is even going to perform its intended purpose. So far the most noticeable achievements are an uncontrollable National Debt, a very fragile economy and a high rate of unemployment. We acknowledge many of the factors involved are beyond our control,

Nonetheless Congress and the administration determined that an overhaul of the nations banking and securities industries was in order and the Dodd-Frank act is the result. The entire document is over 2,200 pages in length, and many of the provisions are now being enacted as people start to read the fine print.

As with the health care bill, it is obvious that many lawmakers perhaps did not acquaint themselves with what they were voting on. The media was satisfied with the full title which was, *"An act to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end 'too big to fail', to protect the American taxpayer by ending buyouts, to protect consumers from abusive financial service practices, and other provisions."* What could go wrong? For one thing, you can put a lot of regulation in 2,200 pages. Perhaps even more than Congress intended or anticipated. As then speaker Nancy Pelosi said of the Health Care bill, "Just wait until the people find out what is in this for them." Fortunately Dodd-Frank is only half as long as the so-called *"Obamacare"* health reform.

If you think opening a new account at your neighborhood bank is confusing now, there are numerous regulations and bureaucratic red tape that will make things worse. Congressman Reib Ribble estimates thousands of small banks will be forced to close, which serve the industry and economies of the nations smaller communities. We hear stories of potential home buyers who met normal qualifications withdrawing their application due to the paperwork requirements of the new law.

An article in the September issue of *Money Magazine* relates that many of the regulations imposed cannot be implemented because the government has not set up the machinery to do so. Perhaps that is just as well. They refer to the law as *Dodd-Frankenstein*.

Basically, Dodd-Frank consists of 16 various provisions, each with an area or responsibility, and consisting of committees, advisory boards, cross-referencing, rules and definitions, compliance authority including fines and penalties and whatever else a team like Chris Dodd and Barney Frank could possibly dream up.

The 16 provisions, or sub-boards consist of Financial Stability, The Orderly Liquidation Authority, Transfer of Powers to the Comptroller-the FDIC-and the Fed, Regulation of Advisors to Hedge Funds and Others, Insurance, Improvements Regulation, Wall Street Transparency and Accountability, Payment Clearing and Settlement Supervision, Investor Protections' and Improvements to the Regulation of Securities,

Bureaus of Consumer Financial Protection, Federal Reserve System Provisions, Improving Access to Mainstream Financial Institutions, Pay it Back Act, Mortgage Reform and Anti-Predatory Lending Act, Miscellaneous Provisions, and Section 1256 Contracts (*Whatever that is.*) Do they know or for that matter really care what this will cost taxpayers. How many federal employees will have to be added but serve no useful purpose except to accumulate and file paper?

It is apparent from the above provisions there will be access to every facet of our economy, and another layer of government to deal with. It is our understanding that specific provisions will cover the home mortgage industry which would also cover real estate sales, as well as any business which deals with credit transactions.

Wall Street and the countries banks are already heavily regulated, and subject to adjustments from time to time. No doubt this law will correct some abuses in our system that could use stricter regulation. However, it appears that the entire act is more of a Trojan Horse disguised as a blessing the country does not necessarily want or really need. We should depend on the profits of Corporations to be passed on to investors rather than disappearing down the black hole of government regulation.

In retaliation, it is too bad the countries top executives can't form a committees with the authority to organize government into the fiscally responsible and efficient organization we would expect it to be. They could then tell Congress how to run their business rather than the other way around. Imagine being able to impose a hefty fine on a Congressman or Senator because he didn't complete his paperwork, obey the Constitution, or follow a budget as specified.

Jim Frink—BCTA

National Debt Update.

At the end of August, 2011, the National Debt reached a total of **\$14,650,663,580,927.00**. This is an increase of about \$195 Billion over the total in June when we last reported. Actually if we included the unfunded liabilities for Social Security, government pension plans and Medicare it would be closer to \$55 Trillion. No telling what Obamacare could eventually add. We can be thankful, however that Congress and the President increased the debt limit and President Obama announced he had found ways to perhaps cut expenses by 10 Billion during the next 5 years.

Here is why and how the debt keeps growing. So far during 2011 the government has spent about \$3.62 Billion dollars. However income during the period has only been about \$2.21 Billion, or a shortfall of about \$1.41 Billion. The solution to this is simple. Out of every dollar our federal government spends, they have to borrow about .39 cents. Cut spending, It starts to add up.

Inflation, employment, profits and investments are all driven by the National Debt, and it appears that unless either an improvement or viable solution appears next years election will be more about the actual economy than hope and change. Unfortunately many of our states and foreign countries are also suffering dramatic financial problems.

Predicting the future economy is like predicting the weather, and some factors can be manipulated to the good or to the bad. The cost of most of the goods and services we buy has risen 10 or 20 times and even more since the start of the 1929 depression due to inflation. One item I found interesting is that in 1929, the U.S. National Debt equated to about \$138.75 per capita. As of right now we all owe \$48,946.00 as our share of Uncle Sam's deficit spending and what to we have to show for it? It has increased over 350 times since 1929, and took until 1981 before it reached the first Trillion. As we pointed out in the last Tax Times, all of the gold in the world wouldn't get us out of debt.

JF

August Meeting Notes.

Green Bay Redevelopment Explained.

Monthly Brown County Taxpayers Association held Aug 18, 2011 at Tiletown Brewing Co.

Harry Maier, chairman of the Green Bay Redevelopment Authority (RDA), spoke about the RDA's role in redevelopment for the City of Green Bay. Mr. Maier was first appointed to the RDA by Mayor Haloin in 1994. He has been reappointed by Mayors Jadin and Schmitt.

The Redevelopment Authority is responsible for redevelopment efforts in the City of Green Bay and for oversight of the City's community development block grant program. Mr. Maier recounted a number of development projects underway and in the future.

The \$50 million redevelopment of the Port Plaza Mall site by Schreiber Foods is the largest project underway in the downtown area. The new company headquarters will be in the area presently occupied by the Days Inn. Construction should begin in the spring or summer of 2012.

A large technology center will be built in the area presently occupied by the mall building. The technology center will bring a large number of hotel guests into the downtown area, supporting the downtown hotels. The Schreiber Foods development is being enabled by a Tax Increment Financing (TIF) district. The TIF district is being initially funded by \$5 million transferred from the I-43 Industrial Park TIF district, which had accumulated a \$7 million surplus. Mr. Maier noted that the limit on TIFs for a municipality is 12 percent of equalized value. The city of Green Bay is at 2.1 percent.

Hyatt Hotels is buying the Hotel Sierra, which will give it a national presence. The Northland Hotel building is slated to be remodeled into a four or five star hotel, making it an attractive destination. The Veterans Clinic to be constructed on the east side of the city will be a \$90 million investment, which will be privately owned, placing it on the tax rolls. It will be leased to the Veterans Administration. The clinic is expected to create 250 professional positions.

Schools: The Green Bay School District has hired a new superintendent, Michelle Langenfield, Ed.D. She was formerly the associate superintendent for middle schools of the Anoka-Hennepin School District in Anoka, Minnesota.

County/Municipal: Brown County Executive Troy Streckenbach has announced his intentions to present a no property tax levy increase budget to the County Board. He also wants to pay down the County's debt.

The next BCTA meeting is scheduled for Thursday, September 15, at Tiletown Brewing.. Details on the last page of this *TAX TIMES*.

Dave Nelson - Secretary

50 State Comparisons Book Available.

We will have a few copies of The Taxpayers Network excellent booklet comparing demographic and economic data between the 50 state available at our next BCTA meeting.

"A government that robs Peter to pay Paul can always Depend on the support of Paul. . . . **George Bernard Shaw**

"Did you ever get the feeling that the only reason we have elections is to find out if the polls were right." . . . **Robert Orben**

"Have you ever seen a candidate talking to a rich person on television?" . . . **Art Buchwald**

Rules Are Rules, but They're Laws Also.

Most people would see this as a serene sunrise on a calm lake. DNR bureaucrats would see it as a pier they have to regulate.

When you hear the term "*Administrative Rules*" do your eyes glaze over? Doesn't the term itself just sound boring? Administrative Rules are not a favorite topic when we get together with our friends or family and discuss politics or government. Maybe they should be.

Administrative Rules are rules enacted by non-elected bureaucrats of state and federal agencies. At the federal level, the EPA, OSHA and the FCC are famous for passing restrictive administrative rules. At the state level, the DNR is notorious for passing difficult rules.

There are lots and lots of administrative rules, and these rules have the force of law without ever being voted on by lawmakers.

The DNR passes rules regarding hunting, fishing, boating, creeks, rivers, lakes, piers, putting in culverts, where you can and can't build, how to upgrade your business, etc., etc., etc. All of these rules cost money, time, and frustration.

Other agencies, such as the Dept. of Safety and Professional Services (formerly Regulation and Licensing) have also caused a plethora of burdensome administrative rules.

On the federal level, the EPA continually passes regulations that have the force of law without the people's representative in the House and Senate voting on them. These regulations increase costs on people and business. Companies that produce electricity are facing rules that are going to cost everyone a whole lot of money on their electric bills. That means businesses have to charge higher prices, lay people off, or both. Wisconsin Public Service has just announced a 6% price increase for next year citing stricter EPA regulations as the reason. When families, business and the entire economy is struggling, is this the time for new and expensive EPA rules?

We will be introducing a bill that will require the legislature to pass and the governor to sign an authorization bill before an administrative rule takes place. After all, these rules do have the force of law. Lawmakers are supposed to vote on laws, even if their called rules.

These Administrative Rules effect families and businesses in the same way laws do. Separation of powers is an important part of our government. Laws are supposed to be passed by the people's representatives in the legislature and signed into law by governors or presidents.

Rules that have the force of law shouldn't be left in the hands of non-elected bureaucrats.

Senator Frank Lasee

Let's get this straight.

We're going to be "gifted" with a health care plan we are forced to purchase and fined if we don't, Which purportedly covers at least ten million more people, without adding a single new doctor, but provides for 16,000 new IRS agents, written by a committee whose chairman says he doesn't understand it, passed by a Congress that didn't read it but exempted themselves from it, and signed by a President who smokes, with funding administered by a treasury chief who didn't pay his taxes, for which we'll be taxed for four years before any benefits take effect, by a government which has already bankrupted Social Security and Medicare, all to be overseen by a surgeon general who is obese, and financed by a country that's broke!!!! "What the hell could possibly go wrong?"

**From the internet:
Attributed to Donald Trump**

Things That Make Us Wonder.

Looking for a good place to invest your money? Find out who makes all of those orange barrels and cones we see on all of our streets and highways every summer. Their business must be really good.

We realize that highway maintenance and improvements are one of the things we expect from our tax dollars even though the construction zones can be frustrating to motorists.

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What to do about limiting the National Debt has been at the top of the news for the past several months with the exception of a couple of weeks when all we heard about was the Casey Anthony trial.

Both newsworthy stories but what happens to the National Debt will influence the lives of about 310,000,000 Americans people along with the rest of the world, while the other served as more of a distraction. What was more important?

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The idea has been floated around on the internet for some time and now we read that the state of Florida will be the first state requiring drug testing prior to receiving welfare benefits.

Will probably cause a lot of complaining but drugs cost money and if a person can afford them on their own they don't need welfare and if they do receive public assistance should it be to buy drugs?

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Chapter 4.001 of the Wisconsin Statutes covers the procedures for realigning the states 33 senate and 99 assembly districts after each 10 year U.S. Census results are finalized. Basically they specify that districts have as close to the same population as possible and be geographically coherent.

Ideally this process could be accomplished with map indicating the population in each voting district, moving a precinct from one district to the next in order to even things out. However, in recent years the law has been amended and interpreted to specify that districts be established to encourage more competitive elections in addition to honoring municipal boundaries.

This resulted in cases of racial, economic, political differences, and major shifts in population being entered into the

equation complicating the final results.

In 1812 Gov. Elbridge Gerry of Massachusetts was credited with laying out voting districts in such a pattern that only his supporters would likely be elected to office. As a result in some cases the results resembled a salamander on the map and the term *Gerrymander* resulted.

While laws and public reaction since that time have somewhat controlled this practice, that doesn't stop the party in power from trying, and that has often been a question when redistricting is done in Wisconsin. One solution when an incumbent finds himself living in a different jurisdiction seems to be pack up and move his residence accordingly.

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The good news is that the \$195 Million towards the Lambeau Field construction that was approved by voters with a .5% county sales tax which began in 2001 has been paid. Several years ahead of schedule which speaks well for the economy of Brown County.

The bad news is that the tax will remain in force until the Packers build up a sufficient reserve fund for game related maintenance expenses. Does this include the light bill for all of the night games on the schedule this year?

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President Obama claims he has found a way to make our energy resources last longer and reduce costs to motorists with one simple proclamation.

On July 29, he announced that agreement had been made with the major auto producers whereby they pledged to double their overall fuel economy to 54.5 MPG by 2025. Just like that? No mention as to whether SUV's and pickup trucks were included in the plan although standards were established for large trucks.

While nothing is impossible, such plans have been proposed before without significant results. For one thing, automakers keep telling us one to improve mileage is to reduce weight while the government keeps mandating new safety standards and devices which add weight. We have had periods of fuel shortages and high prices encouraging people to buy more efficient vehicles but as soon as things ease fuel economy is forgotten.

In the meantime *Motor Trend* magazine estimates to meet the proposed fuel efficiency and emission standards by

2025 would add \$6714 to the cost of each vehicle produced, in 2011 dollars, quickly offsetting any savings in fuel costs.

Perhaps the government could design a fleet of vehicles that would satisfy their requirements and still fill the needs of the motoring public. It will take some creative engineering. recently read of a car made in India that runs on compressed air.

Better yet, try and mandate that we all change our wasteful driving habits.

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We read that just one person had complained of the use of the word "*Indians*" as the mascot at Berlin High School so now the State Dept. of is spending time and money making a decision. It would also be expensive for the school to make a change.

It would seem that the use of native American culture and artifacts is going to be considered offensive by a high school in good faith, there are several thousand counties, municipalities, business establishments and organizations who will be targeted next by those who want a perfect world.

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Recall that the stock market dropped about 500 or so points as Congress and the President quibbled over reducing Federal spending in an effort to reduce the National Debt.

The agreement reached, reduce spending a trillion over a ten period but add two trillion to the debt limit right now does absolutely nothing and the free-fall in the stock market reinforces the fact.

The National Debt limit has been raised over 100 times since 1940, or once or twice a year. This drama will probably continue on a regular basis until Uncle Sam learns how to handle his money. As the actress in one of the recall commercials says, "*It's just plain wrong.*" We agree.

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A Wisconsin State Capitol worker was recently arrested and charged with breaking a protesters balloon with a knife. That probably helps explains why nothing much was done back in February by riotous demonstrations staged back in February when the building was virtually occupied and protest signs were pasted all over the place for the world to see.

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Just about every location in the country that has an attraction for visitors also has high accommodation taxes .



"Let tourists help pay their way."

Presently Green Bay has an 8% room tax being used to pay for the Resch Center to the relief of local tax payers. This in addition to the 5.5% sales taxes. Now the Green Bay Area Room Tax Commission is considering adding another 2% to the tax for the purpose of promoting more tourism for the area. Since the business establishments who would collect and largely benefit the increase would also make the decision, they should decide if the increase would be accepted by visitors and if we would still be competitive with other localities.

In the meantime there are expansion of the KI Center and improvements to the Resch Center looking for financing.

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How many ways does the government have to waste our money? After a couple of experiments with dollar coins that failed miserably, in 2005 Congress authorized dollar coins featuring all of our presidents. They immediately started production, producing a billion coins so far. The cost of production was given as thirty cents each.

Problem was that no one seemed to want the coins so now there are boxes and boxes of coins stashed away in government vaults costing taxpayers \$300 Million.

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How did the country manage to get so far in debt? Here is a good example of how the system works.

An article in the July 4, *Fortune* Magazine relates that in 1967, while plans for Medicare were being proposed and in order to gain support proponents claimed that by 1990 the cost to the government would be only \$12 Billion. When 1990 rolled around the actual cost to taxpayers was \$110 Billion. Taxpayer cost in 2010 was \$523 Billion.

How many other programs end up costing far more than advertised, and without providing the funds to pay for them?

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One of the common solutions often mentioned to solve our state and national budget problems is to "raise taxes on the rich", those making \$250,000 and more.

Most of us, including the so-called "rich" would agree that our tax laws are an obsolete, inefficient mess. Through the years thousands upon thousands of exemptions, clauses, and other assorted changes have been made, all with the blessing of Congress and whoever was President at the time, and promoted as being a benefit to the country,

Not always mentioned is that many of these changes often favored one group of citizens over another, or that many may have become obsolete and have outlived their purpose. Is it that indifferent politicians backed by special interest lobbyists refuse to address the problem?

The result is state and federal tax laws that are easy to misinterpret and circumvent and difficult to enforce.

Who does pay the most taxes and who could pay more? According to the IRS, the top 1% of individual income tax returns which represent 20% of the countries income pay 38% of the tax,

The top 5% earn 35% of the income but pay almost 60% of income tax collected by the IRS and states. While this group no doubt uses every exemption in the tax laws to their advantage, various low income brackets provide that the bottom 50% of tax returns filed only account for only 2.7% of total income tax revenue.

If somehow the taxes paid by the rich, or top 5% of taxpayers could be increased by a whopping 50%, it would only amount to about \$300 Billion more in federal tax revenue. How far would this go the way government spends money?

When Pres. Obama called for higher taxes on the "rich", he specifically referred to "owners of corporate jets, hedge fund managers, and oil and gas profiteers" as examples. No mention is made of entertainment celebrities, personnel injury lawyers, or star athletes with salaries in the millions. It is discouraging to see our President target a certain class of individuals as a solution when the problem is obviously much deeper.

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It was gratifying to see the rather large turnouts of voters in the Senatorial recall elections, even though they may reinforced the notion around the country that Wisconsin politics are out of whack. It is difficult to say whether the negative advertising had a positive or negative effect on the outcome but are sure TV stations welcomed the business.

While photo ID is probably here to stay at polling places, faster ways to get people in and out will have to be devised. The recall elections themselves should have served to remind people how important it is to vote and take more interest

in who they vote for to represent them.

Unfortunately standing in line for an hour to register for an election with only one candidate on the ballot could discourage them from participating in upcoming elections having even more at stake.

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One of the first items of business by Gov. Walker was to cancel the high speed rail project between Milwaukee and Madison and accompanying federal funds.

We recently read that California jumped on board planning to start construction in 2012 using \$3.5 Billion in federal funds for a rail line that wasn't really needed. It is also estimated that the project will cost the state's taxpayers \$2.9 to \$6.8 Billion over estimates. Sorry California.

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At last report, there were 19,731 people and business's listed on the Wisconsin state delinquent tax website, owing a total of \$759,061,232 to the state. The total is probably somewhat higher as only those owing \$5,000 or more are listed.

It would seem that rather to create and impose new taxes we should enforce those already on the books. Although much of the amount may be uncollectable, the fact remains that you normally do not owe income taxes unless you first earn taxable income. If a business owes sales or withholding taxes these amounts technically belong to the state from day one and are only held in escrow until submitted.

One problem may be that the Dept. of Revenue has reduced their auditing staff the same as other state agencies as a cost saving measure. Also, at one time their auditors kept track of the amount of delinquent tax revenues they each recovered but apparently this has changed. We acknowledge that collecting delinquent taxes owed the state should not be rewarded on a commission basis. Nonetheless ignoring taxes is considered a criminal act and creates extra expense for all of us.

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This might be a personal observation, but it seems the way our government operates has depreciated rather rapidly the past several years. more specifically during the past several months. This on both the state and national levels.

Administrations and the power of political parties have come and gone, but it seems that some spirit of cooperation has

existed whereby politicians whatever their party affiliation could agree on legislation that was best for the country and people.

While the basic two party system has served us well the past 235 years, several new "modes of operation" have been introduced recently which tend to upset the entire process as we know it. There have always been filibusters, gerrymanders and broken promises to pass specific legislation or gain political advantage and power.

Have we ever seen as many closed door sessions, midnight voting, partisan committees, or calls to compromise but do it my way as at present?

In the past few months we have seen state senators simply abandon their duties rather than debate and present their case. We have seen our state capitol building taken over by raucous demonstrations eagerly reported by the media to the rest of the world to assess Wisconsin politics. We have seen recall efforts imposed against legislators of both parties who had previously elected by the people to represent them. We have been exposed to a level of political campaign advertising for political candidates designed to demonize their opponents with no positive message.

Unfortunately much of this activity has been financed and organized by out of state special interests. At last count, \$37 Million was expended on the Senate recall elections, more than double the total amount spent on the entire legislative elections the previous year, just to gain two senate seats.

Under normal circumstances, it would seem that the problems facing the state could have been solved with true discussion and compromise. In any event, it is no wonder that people are turned off by politics and politicians and perhaps fearful of what the future may bring.

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Social Security is a problem that is not going to go away by itself. It seems the problem is not the original concept of employee-employer contributions being held in a trust to provide retirement benefits for American workers but all the changes made to the plan since it was first initiated.

While inflation, cost of living increases, and the baby boomer generation reaching retirement age have been offset by increases to contributions through the years, other items may not be as positive.

While Medicare benefits have been added for Social Security recipients, these people no longer contribute anywhere near the amount of benefits they receive. To what extent benefits were to be paid to disabled workers when the plan was initiated is unknown, but these represent a class that draws a considerable amount from the fund but does not contribute in return. We notice there are many law firms making their living by obtaining benefits on your behalf, and we would suspect there may be some fraud present. We hear of illegal immigrants who have not contributed receiving benefits.

We are not advocating that disabled workers or Medicare recipients be ignored or left out in the cold. However, if the government decides they are eligible to receive any benefits couldn't this come out of a fund set aside for the purpose in order to protect the funds set aside for workers retirement benefits?

Is it any different than having a bank, brokerage firm or insurance company give the funds you have invested with them to someone else's benefit.

* * * * *

On August 23, Pres. Obama announced his administration had identified potential spending cuts he claims could save taxpayers a whopping \$10 Billion over the next five years.

We would have to remind him that the budget bill he just signed calls for spending \$10.4 Billion each and every day, which will total \$18.9 Trillion over 5 years. \$10 Billion more or less won't make much difference.

* * * * *

We heard that government scientists found that the recent east coast earthquake was caused by a geological formation referred to as "Bushes Fault."

* * * * *

Property owners are concerned that falling property values will cause them to pay excessive property taxes.

The Wisconsin Taxpayers Alliance reports that overall residential properties in the state dropped 1.6% between 2010 and 2011. The drop in value for Brown County was 1.5%.

Your 2011 property tax statement will reflect the various tax levies and the assessed value of your property, the same as always. If all property values decrease in value, the overall rate charged would

then be higher. It will be particularly important this year to pay attention to budget hearings and question expenditures.

At this time it may be too soon to gauge the effect of the state budget on municipal and school tax levies but you can be sure they will be a topic of conversation at local budget meetings.

* * * * *

It will be interesting to see how Gov. Walkers decision to allow the DNR to become an enterprise agency works out. It could save millions of dollars by streamlining a few layers of state government and setting a precept for other cumbersome state agencies or it could be another out of control "Frankenstein monster."

While the DNR performs many necessary functions for our citizens and the environment it sometimes displays a reputation for being the tail that wags the dog.

So far damage estimates for Hurricane Irene have been under 10 Billion and no doubt much of this will be paid by the Federal Govt. Let's hope they do a better job than they did for Hurricane Katrina which is still not paid for.

As usual, lots if things to wonder about.

Jim Frink

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

"That's what a Congressman or Senator is for—to see that too much money doesn't accumulate in the National Treasury."

. . . Will Rogers

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

. . . Oscar Ameringer

The TAX TIME\$

Brown County Taxpayers Association
P. O. Box 684
Green Bay, WI 54305-0684

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The TAX TIME\$ - September, 2011

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - September 15, 2011. BCTA Monthly Meeting, 12:00 Noon.
Titletown Brewing Co. Speaker, Lynn Stainbrook,
Director of Brown County Library System.

Thursday - October 20, 2011. BCTA Monthly Meeting, 12:00 Noon.
Titletown Brewing Co. Speaker Green Bay Mayor
Jim Schmitt.

Thursday - November 17, 2011. BCTA Monthly Meeting, 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 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.

SEPTEMBER,
2011



"We do not have to worry about the United States. They will spend themselves out of existence."

. . . Nikita Khrushchev

"Trying to determine what is going on in the world be reading newspapers is like trying to tell time by watching the second hand of a clock."

. . . Ben Hecht

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