



Obamacare – the taxes begin.

Welcome to 2013. As I write this, the outcome of the Washington wrangling over the "fiscal cliff" (ugh ... aren't you tired of that term?) is still unknown. However, what is known with certainty is that five new tax increases are taking effect -- the initial funding of the monstrosity that is Obamacare. Much, much more is in store for 2014 and beyond. Here's what begins now:

The maximum contribution to Flexible Spending Accounts (FSA's) is cut in half, to \$2,500. FSA's are a commonly used benefit by which employees set aside a portion of their compensation to pay for routine medical expenses with pre-tax dollars. Chances are, you or someone you know has used an FSA. Families with significant expenses on things like drugs, dental care, medical deductibles and co-pays, and vision care will pay higher taxes as a result.

Two tax hikes are now in place for individuals reporting income over \$200,000 and married couples reporting over \$250,000. The first is a hike in the Medicare tax from 1.45% to 2.35% (yes, a 62% increase). The second is a new, 3.8% tax on interest, dividends, capital gains and other investment income. This group of taxpayers represents the top 4% of income earners. What's that you say? The President said he only wanted to increase taxes on "the top 1%"? Well, maybe it was just an honest mistake and he misread the teleprompter. On the other hand, maybe he'll be coming soon for you and me.

A new 2.3% excise tax on the total revenues of medical device producers is ushered in this year. Note – that tax is on total revenues, not on net earnings. So even if the companies are operating at a loss, the tax is applied. This will kill development of improved medical devices by driving a number of innovators out of business and making capital investment in this sector less attractive.

Lastly, the threshold for deducting medical expenses on your income tax return has been raised from 7.5% to 10%, a significant tax hike on families that are incurring substantial out-of-pocket health care bills. Wasn't Obamacare supposed to make health care more affordable? Didn't they even name the thing the Affordable Care Act?

Higher health care costs, less investment capital for an economy in desperate need, business failures and job losses ... that's what Obamacare brings us in 2013. And the program is just getting started.

Tom Sladek

(Tom pinch hits this month for BCTA President Richard Parins, who is traveling.)

The BROWN COUNTY TAXPAYERS ASSOCIATION
In our 28th Year of Promoting Fiscal Responsibility in Government.

Just give us the facts.

The election is over, and everyone is either happy or unhappy with the results depending on who they supported or what they believed to be best for themselves and the rest of the country. It at least proved there are two sides to every question and encouraged debate. Whatever your views and visions for our country are, you were probably upset by all of the negative advertising designed to disqualify ones opponents rather than honestly outline what they would do if elected.

It seems more than ever, elections and the power to run the government are goals to be won at all costs. Like it or not, big money and powerful interests call the plays and make the rules. These interests have all the bases covered. They have found that negative advertising against an opponent to be an effective tool with positive results, namely getting their candidate elected. Party platforms or what is best for the country can be overlooked by voters in the meantime. Meaningful efforts to change the rules are unlikely to ever be made or are watered down by the party in power after the election so as to be entirely ineffective and no problem come the next election.

Examples of rules are requirements disclosing the sponsors of political ads be identified on commercials. In many cases it is absolutely impossible to read the print at the bottom of the screen or realize where the money is actually coming from. Despite all of the laws on the books protecting individuals from slander, it is possible for political purposes to openly make the most ridiculous, misleading and false statements in their advertising with little danger of rebuttal. In all fairness, both major political parties have been guilty of these abuses.

This brings us to another subject emphasized during last years election. Is the news media bias, or does it just seem that way?

There is no question that supportive news stories and press releases can sway public opinion and help elect candidates favored by the powers at the media. Be it approval of a proposed local spending project to critiques of the activities of our public officials.

The first things they teach in Journalism 101 are: Who, What, Why, When, Where and How. Cover all of the above and your story is truthful and complete. However, this could make for terribly dull reading, and for a reporter lead to a career of writing classified ads and obituaries.

For whatever reason, it seems that much of what we read and hear in the news media is being slanted toward forming public opinion more than simply reporting the facts. Following are some of the examples we notice on a daily basis. Some apply to newspapers in general and some to radio or TV reporting.

First and foremost, an articles headlines sets the tone for the entire article. Many people only scan the headlines, and only take time to read what interests them or reinforces their beliefs. The headline can tell them all they want to know. They want to be informed but not lectured. An example could be a story of the governor signing a bill, with pros and cons from various interests included. The headline could read, "*Governor Signs New Welfare Legislation*", or it could read "*Some Groups Oppose New Welfare Bill.*" Same story, but it would seem that questions should appear as separate articles with opposing views during the debate or as items on the opinion page.

Ignoring facts that would disprove claims, or support an opposing point of view. Are both sides of a question given equal preference? Oftentimes important stories that would affect all of us may be completely ignored at the discretion of the editor. This may include items of legislation, statements or news releases by groups or individuals, follow-up on stories resolved since last weeks news when they were top headlines, or actions of prominent individuals who do newsworthy actions, good or bad. At times it is obvious that news items are those furnished by entities that have the luxury of a public relations department such as institutions of higher learning or the federal government while others just as newsworthy can be ignored at the discretion of the editor.

The placement of an article can be an indication of what readers are expected to notice first. We constantly see insignificant items on the first page with more newsworthy items buried in the advertising. This is not always a case of when the story was available.

Does the story have a creditable source? While we respect the right of privacy on a story, there should be some backing available as to it's reliability. Some sources are known for their views, and anyone reading an article could draw their opinions simply by the reputation of the source. We acknowledge and accept that items on the "*opinion page*" are strictly opinions but those on the news pages should be "*news.*"

There are many ways of putting a "spin" on a news story to make it appear more favorable to the reader who may be comparing one view with another. An example is an interview with a political party spokesperson after a televised debate whose job is strictly to make his candidate appear to be the winner no matter how bad his performance was. It is always important to try and determine the source of a news story and therefor decide who will gain and who will lose as a result.

Another method to make one side of the issue appear more favorable than the other is through the use of labeling. Indiscriminate use of words like "right-wing" or "left-wing," "liberal" or "conservative", "clean-air advocates" or "business interests," "pro-gun," "pro-choice," and a long list of other clichés can carry connotations resulting in a favorable or unfavorable meaning to the entire story.

One final observation is the fact that seemingly unimportant items such as celebrity affairs or who won the lottery can occupy the news for days on end while events effecting all of and our pocketbooks can be pushed aside.

All of us have access to and possibly subscribe to magazines and support activist organizations supporting and reinforcing our personal beliefs and interests. We do this at our own discretion and have no obligation to do so. We read newspapers and watch TV because we depend upon them as a source of truth and information to draw our own conclusions.

The question arises is promoting balanced news reporting something the BCTA should become involved with? We would appreciate comments, and will possibly make this the topic at one of our future meetings.

JF

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www.BCTaxpayers.Org

National Debt Update.

The ongoing debate between President Obama and Congress, more specifically Majority Leader Congressman Boehner, could provide great plots for a situation comedy series on TV. It has all of the comedy, drama, behind the scene deals, and a cast of characters from central casting that already has everyone in the country glued to their TV sets waiting to see what happens next. Only problem is, it's not intended as entertainment and what does happen next could be downright disastrous. It is also an insult to the citizens and business's of the United States who are doing end of the year tax planning and trying to make plans for handling their own finances in the future.

While President Obama was flirting about the country last year convincing people he should be re-elected to office he continually promised to sit down with the leaders of both major political parties to negotiate and come to mutual agreements on problems facing the country. He acknowledged previous presidents had been able to compromise situations and problems by sitting down and working things out for the best of the country and its people. He also ruled out tax increases for the "middle class" and gave no hint that "Obamacare" would raise anybody's taxes as its provision start falling in place. Few politicians have ever been elected on a promise to raise taxes to cover their outrageous spending, but it's easy to suggest raising taxes on the "rich," while condemning their very existence.

One of the duties of the President is the approval of an annual budget presented to him by the Congress. With few exceptions this budget should also provide funding for approved expense items. Very straightforward and simple. Unfortunately our country has been falling deeper in debt each year and so far solutions range from the unpalatable to the disastrous.

As this is written, debate is still proceeding as to going about avoiding "the fiscal cliff." Talk of runaway inflation and tax increases emerge as scare tactics. Constructive debate has turned into malicious partisan politics, with the intent of blaming the other party for any consequences that result. You can call it a debate, but it is a matter of two different philosophies with no intention or indication of compromise. One side realizes that spending is the problem and we are going deeper into debt as a result, and the other side can see no problem with continuous borrowing and spending money at their discretion as long as they are in power.

Our National Debt has risen dramatically in recent years, and threatens to bankrupt the country. We presently borrow thirty-four cents for every dollar we spend, and the President has shown no inclination to control spending. Offering only token spending cuts, he flatly refuses to address the problem. He has even proposed eliminating the National Debt limit entirely as a bargaining chip in any negotiations. The Frankenstein Monster known as Obamacare is waiting around the corner to eat up any potential revenue which could be raised by tax increases. The chart in the next column illustrates the direction in which we are headed.

After 2 World Wars, the Great Depression of the 1930's, and rebuilding Europe after WWII it didn't reach the first trillion until 1982. It reached 6 Trillion in 2002, and then increased \$10 Trillion in the next 10 years. As of Dec. 31, 2012, it reached. \$16,317,911,635,422. It is reaching the point where our GNP cannot handle it. If divided among all U. S. citizens we would all owe \$52,104. Interest to foreign countries consumes a greater part of our tax money each day.

It is the Presidents duty to set aside his spending agenda and compromise with the leaders of the Senate and Congress. The problem is not so much a lack of money so much as spending too much of what we have. While raising taxes on high income earners could keep the country going for a few days, it is not the answer to the problem as the President seems to have his followers believing.

There have been thousands of tax breaks benefitting the wealthy placed in the books which be reviewed because they have served their purpose and are obsolete. Many government agencies serve no worthwhile function and could be eliminated or reduced. We hear daily examples of Government waste which could be eliminated. The entire tax code should be examined line by line to make it more fair as well as productive. Just do it.

Jim Frink—BCTA

Historic National Debt

Date	U. S. National Debt
12/31/2012	\$ 16,317,911,635,422.20
6/31/2012	15,820,390,685,927.10
12/31/2011	15,125,898,976,397.90
6/31/2011	14,456,075,722,912.30
9/30/2010	13,561,623,030,891.70
9/30/2009	11,909,829,003,511.70
9/30/2008	10,024,724,896,912.40
9/30/2007	9,007,653,372,262.48
9/30/2006	8,506,973,899,215.23
9/30/2005	7,932,709,661,723.50
9/30/2004	7,379,052,696,330.32
9/30/2003	6,783,231,062,743.62
9/30/2002	6,228,235,965,597.16
9/30/2001	5,807,463,412,200.06
9/30/2000	5,674,178,209,886.86
9/29/1995	4,973,982,900,709.39
9/28/1990	3,233,313,451,777.25
9/30/1985	1,823,103,000,000.00
9/30/1980	907,701,000,000.00
6/30/1975	533,189,000,000.00
6/30/1970	370,918,706,949.93
6/30/1965	317,273,898,983.64
6/30/1960	286,330,760,848.37
6/30/1955	274,374,222,802.62
6/30/1960	286,330,760,848.37
6/30/1955	274,374,222,802.62
6/30/1950	
6/30/1945	258,682,187,409.93
6/29/1940	42,967,531,037.68
6/29/1935	28,700,892,624.53
6/30/1930	16,185,309,831.43
6/30/1925	20,516,193,887.90
7/1/1920	25,952,456,406.16
7/1/1915	3,058,136,873.16
7/1/1910	2,652,665,838.04
7/1/1905	2,274,615,063.84
7/1/1900	2,136,961,091.67
7/01/1890	1,552,140,204.73
7/01/1880	2,120,415,370.60
7/01/1870	2,480,672,427.81
7/01/1860	64,842,287.88
7/01/1850	63,452,773.55

Source: U. S. Treasury Dept.

Venture Capital.

By State Senator Frank Lasee

If there is a silver lining to the Obama administration's economic policies (and that's a BIG IF) it's that we are learning a very important lesson. When our government picks winners and losers, taxpayers lose.

Take the Chevy Volt for example. Chevy has recently hyped the fact that people around the country have driven one hundred million miles in Chevy Volts. To put this into perspective, it only takes **5,000 cars driving 10,000 miles a year to reach this "milestone" in two years**

Out of the **27.2 million cars sold in the past two years** (the years the volt has been on the market), Chevy has only sold about 30,000 Volts. That number would be much lower if the government had not given people a \$7,500 tax credit (remember, the federal government is borrowing 4 dollars of every 10 dollars they spend) to buy it and experts have said that the tax credits would have to be \$12,000 dollars to make the Volt competitive with normal gas burning cars.

The picture gets cloudier when you think of Solyndra, the solar company that went belly up after receiving \$500 million in government money. The moral of the story is that governments aren't very good at being venture capitalists.

Wisconsin has also realized the limits of what the government can do while investing in businesses.

Recently, there have been reports that the Wisconsin Economic Development Corporation **misplaced a \$56 million dollar loan portfolio** because of a problem with their software and borrowers have fallen \$12 million dollars behind on loan payments to the state.

Thankfully the software problems are being fixed and the WEDC is under new management.

Unfortunately, some of the \$12 million in late loans, like the \$2 million left on a loan made to **Flambeau River Biofuels** by the old Department of Commerce, probably won't ever be recovered by taxpayers. We need to be more careful about how we spend taxpayer money.

Next session there will be talk about a venture capital bill in Wisconsin, and even here there are people that want to give a small appointed committee the ability to dole out (I mean "invest") hundreds of millions of taxpayers dollars to get in the business of picking winners and losers with our money. This is a bad idea.

There are private venture capital firms in Wisconsin. One solution could be to partner with them on projects they are willing to risk their money on, under the same terms and conditions they have.

This is a lot different than what some in the legislature want to do, which is give that committee of appointed officials the ability to risk taxpayer money like the Federal Government has.

Either way, making a venture capital board with the ability to dole our money as they see fit is not a good idea. People have biases and they are going to push their own agendas, just like the President did by investing in Solyndra and the Chevy Volt. A select committee shouldn't ever have the power to write checks for private businesses on the taxpayer's dime.

You might be wondering, "Seeing how the government has wasted money playing venture capitalist, why would you vote for it at all?" The reason I would be willing to vote for a 60-40% split is because venture capital firms have a vested interest in making sure that they invest their money wisely and making a profit. If there truly is a lack of venture capital available in Wisconsin, then we the state, can and should make a profit, not lose money on poor risks.

Venture capital firms have to do their homework before they invest, otherwise they go broke, and that isn't the case for members of an appointed government committee that can vote money to their friends and not pay any real consequences.

Conservatives need to show that we are serious about letting the free market work, and that it will create private sector jobs. The answer lies in getting government out of the way, not by throwing more of our taxpayer's money at it.

I look forward to hearing from you about the issues of concern to you. Please feel free to contact me, Sen.Lasee@legis.wisconsin.gov or (608) 266-3512. If you are planning to be in Madison, please visit. I look forward to seeing you at the Capitol.

State Senator Frank Lasee

December Meeting Cancelled.

We regret having to cancel the BCTA Meeting scheduled for Dec. 20, due to inclement weather. We tried to E-Mail or call those who may have attended when the decision was made to cancel, and apologize if we missed anyone. Mayor Schmitt, who was the scheduled speaker has agreed to attend our February 21, meeting.

Will We Ever Have a Tax Code That's Fair To All?

While half of the citizens of the country pay little or no taxes on their income, pressure turns to those in the higher income brackets to pay more. It's only "fair", so they say. Problem is, the IRS tax code as it is written and amended allows many if not most earners in the upper 2% to take advantage of special tax breaks,

This is because most of their income is not from W-2 wages but from tax shelters, tax free bonds, offshore accounts and other special loopholes made available for various reasons through the years.

Possibly one reason Congress and various administrations have been reluctant to make changes is that those who benefit also are generous contributors to political parties at election time.

That's what lobbyists are for.

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

"Ask not what your country can do for you, ask what you can do for your country." . . . John F. Kennedy

"America did not invent human rights... In a very real sense...human rights invented America." . . . Jimmy Carter

"Money won't buy happiness, but it will pay the salaries of a large research staff to study the problem."..Bill Vaughan

Things That Make Us Wonder.

Is "Truth in sentencing" the best way to enforce punishing those who break our laws? Many if not most of the laws covered in the massive Wisconsin State Statutes and proposals for new laws considered by the legislature carry the notation to the effect that "*finis and penalties to apply for non-compliance.*" New laws can be added on a daily basis whenever the Legislature is in session,

While we all expect to be protected from those considered be a menace to society, or punished for those who commit capital crimes or other acts of violence, the law provides for imprisonment for a wide variety of other offenses.

In just 22 years, from 1990 to 2012 the number of inmates in Wisconsin prisons has grown from 7,000 to 22,000, and the annual cost from \$179 Million to \$2.25 Billion. This is more than we spend to support the UW system. Our prison system has grown to be a large taxpayer supported industry with mixed results. Upon release are former inmates able to assimilate back to society?

For one thing, anyone released from prison for whatever reason they were there in the first place may find it difficult to find employment or acceptance back in society. They and their families often require public assistance at some time.

We certainly do not advocate amnesty for criminals but there must be more creative and less expensive methods to punish offenders and make them an asset to society rather than a liability.

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The December TAX TIMES carried a couple of articles regarding Gov. Walkers decision not to commit Wisconsin to forming a health insurance exchange to accommodate Obamacare. Reasons were that while federal dollars would be involved, the cost to the state and eventual loss of state control would cost us even more.

Now the Obama administration has disclosed that only 17 states have indicated an intention to create

the exchanges and so far only two of those, New York and Kentucky have had their plans approved.

States refusing to submit plans cited Washington's refusal to answer questions on how they would work and the ultimate cost to the states and their residents.

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The United Health Foundation disclosed a survey ranking Wisconsin citizens ranked 16th in the nation for overall health-down from being 12th last year. We also ranked worst (or best?) for binge drinking, and last spent per person for government spending on public health.

The report also disclosed that 20,9% of our adults smoke, and more than 25% are considered obese. We also ranked first in percentage of high school graduates which proves it sometimes it is difficult to make sense out of surveys.

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The FCC recently adapted the Commercial Advertisement Loudness Mitigation Act (CALM) which mandates that commercials be presented at the same sound volume as the programs they accompany.

Good move. While we realize that radio and TV stations are privately owned business's out to make a profit and pay taxes like everyone else, it would be nice to see someone mandate truth into political campaign commercials. Also, they could restore the limits of time that commercials can be shown each hour so we don't keep falling asleep waiting for our program to resume.

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It is always comforting to know the Federal Government is here to help whenever a disaster strikes. They are still adding up the bill for damage by Hurricane Sandy back in November and so far New York and New Jersey have requested about \$60 Billion, \$30B for damaged highways and \$30B to hire temporary help to clean up the mess.

Congress has started to work out a relief plan along with their federal budget problems. So far our compassionate Congress has prepared a 94 page list of goodies known by

some as "Sandy Scam," It could be double the \$60 Billion requested after Congress gets done working on it.

In addition to the \$60 Billion, they've included \$41 Million to repair 8 military bases, \$207M for a VA medical center, \$150M for Alaska fisheries, \$2M for the Smithsonian Institute, \$8M to buy new cars and equipment for Homeland Security, and \$3.3M for animal disease center. No mention of any assistance to the victims of Hurricane Sandy.

Unfortunately this is a classic example of how Congress works with their "*Pork Barrel*" mentality and our tax money It is also the reason our country is on the verge of bankruptcy.

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The Green Bay City Council is still debating the issue of the Oneida Nations proposal to construct a "*waste to energy*" facility on the cities northwest side.

While this may well be a useful source of energy and disposal of waste provided environmental concerns can be resolved, there are a couple of questions I have not seen addressed. #1-is there a need at this time to generate more electric power in the area, would this plant make a difference, and just where would it go to? #2-Where would the waste material to fuel the plant come from? Have arrangements been made with local community for their waste material and if so who will benefit the most?

In other words, if the community doesn't really need it, why is it being considered at all.

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Every ten years, after the results of the U. S, Census are finalized, each state is required to re-establish the boundaries of their Congressional Districts so they be as close as possible to equal in population. This task is left to the party governing the state at the time to perform.

While sensible geographic dividers such as rivers, highways, counties or city limits would make sense there is no mandate to do so. In many cases partisan voting records are the most important criteria, as it is often possible to dilute one or the other parties

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majority in a specific district by the placement of voting precincts.

This technique was developed in 1812 by Massachusetts Gov. Eldridge Gerry, and referred to as "Gerrymandering" ever since. This practice still accounts for the illogical shape of Congressional and local voting districts around the country which we still see today.

We point out that it is customary for the party not in power to holler when redistricting takes place, and necessary for the party in power to state their case as redistricting questions often end up in court.

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The Sandy Hook School tragedy was no doubt the most senseless and disturbing of this type of event in recent years. Unfortunately such incidents seem to be taking place more and more frequently in our country. We all share the sorrow and pain of the families involved.

As could be expected, anti-gun groups, led by Pres. Obama, promptly claimed this to be the "worst disaster ever," while taking center stage condemning the availability of guns in the country, and calling for solutions for their control.

Trouble is all the laws and controls in the world could not stop someone with intent to cause harm, either with guns, explosive devices, or poisoning our food supplies. Guns are not the only weapon of destruction available to a mentally unstable and deranged person and as a deterrent to violence do more good than harm.

We realize that our world has changed a lot in the last 20-50 years, The family and the church, moral behavior and respect and feelings for others no longer dominates our thoughts and feelings. Worst of all, the movies, TV programs, and video games commercially prepared to entertain us and our children graphically create an immunity to violence and lack of compassion for others as their themes. Young people in particular seem to love it, and local police and school districts around the country will be besieged with false alarms until hopefully the novelty wears off.

Our big government may pre-

sent itself as the answer to everything by fanning the fire and touting gun control but they perhaps should also take some responsibility for creating the negative atmosphere which we seem to have seen develop in this country in recent years.

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Union leaders would love to have Walmart employees in their ranks but so far have been unsuccessful.

They tried to organize a national boycott or walkout of Walmart's 1.4 million employees nationwide on black Friday, the years busiest shopping day. *National Review* reported that nationwide only about 50 employees responded.

Walmart employees also must have realized it would also cost them more to shop if a union took over.

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Financing our public schools gets more creative every year as expenses continue to rise and taxpayers say enough is enough.

In 2009 the legislature approved a law allowing school districts to raise property tax levies as long as the extra revenue was for energy conservation projects.

While energy conservation is a way to cut future expenses and save taxpayers money, reports that some districts were using the funds for maintenance and facility improvements not necessarily related to energy conservation. It never hurts to ask questions at school district meetings at budget time.

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The IRS is working on a new form to be filed with your tax returns starting in 2014 which will disclose their personal health care and insurance information.

This is to insure compliance with the Affordable Health Care Act, also referred to as Obamacare, which requires that everyone has health insurance or pay a fine if they don't.

Obviously the paperwork and compliance connected with this will require a huge taxpayer expense. To many of us this it will represent another unwelcome invasion of privacy and to the rest they will find themselves submitting an income tax re-

turn for the first time.

Considering that even counting the number of people, including those living here illegally for the 10 year census often ends with questionable results, we wonder who will be the first one fined for not having the right health insurance.

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Even if we weren't addicted to Hostess Twinkies, we realize that another American icon may be gone forever, due to the company declaring bankruptcy, and putting 18,500 people out of work unless someone else takes over the operation.

We read that the company's management was not the best, and matters were further complicated by a number of different unions being involved with "fantastically deranged work rules." For example, Union rules did not permit the company to deliver Twinkies and Wonderbread, their main products, with the same delivery truck which makes us wonder who was in charge in the first place?

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Wisconsin is one of only eight states which allows voters to register at polling places on the date of an election. As a result additional personnel are required to perform this duty and make a reasonable check as to the applicant's eligibility. This may be more difficult in college towns where applicants are from out of state with more or less temporary addresses.

One problem with same day registration is there have been many cases of abuse with people registering at different polling places on the same day thereby casting duplicate votes.

Opponents to changing the law claim it would cost the state millions. Possibly so, but the present law really doesn't seem that bad or expensive. Basically you simply go to your local municipal clerk by the Friday prior to the election and register. This should be part of the clerk's normal daily duties and not result in extra expense for anybody. We realize there are exceptions but if a person doesn't realize that an election coming, and he or she is mentally competent and eligible, why should the rest of us pay for their negligence?

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The cost of retirement benefits for public employees is one of the items which drives our property and income taxes constantly most of public employee union contracts provide that taxpayers, in addition to generous vacation and sick pay benefits, medical and life insurance benefits, also include the majority of retirement fund benefits. In some cases taxpayers even pay 100% of benefits. In addition, retirement can start at a relatively early age, with fewer years worked than most private plans.

As a result, state employees are able to retire with full benefits, but obtain another state job with full benefits at the same time. A practice referred to as "Double Dipping." The Wis. State Dept. Of Trust Funds reported that from 2005 to August of 2012, 6,800 Wisconsin public workers reported that they had been rehired.

Bills are being introduced in the Legislature to correct the problem as it will require some changes in state law to correct. In the meantime taxpayers keep paying the bill.

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President Obama in his never ending campaign to make life easier for all of us has issued a "proposed administrative rule," requiring the installation of "black boxes" in all automobiles and light trucks beginning in 2014.

These could be similar to those found in commercial airplanes. The stated purpose would be to analyze automobile defects that may cause accidents. It could also provide possible evidence for suing automakers in the case of accidents.

For several years automobiles have had computers installed that were cost effective to buyer because they pinpointed repair and maintenance problems saving the owner money.

No estimate was given as to the cost but is likely autos will be more expensive as a result. Also questioned would this make our highways that much safer and specify if accidents were caused by driver error.

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Forbes Magazine recently

issued its annual report ranking business climate in all of the states. They ranked Wisconsin at No. 42 which was a surprise considering a lot of pro-business legislation was passed last year and most important indicators seemed to be showing improvement.

Forbes pointed out that all but one of the top 10 states were "right-to-work" states where trade union membership is optional, while only one of the bottom 10 states, including Wisconsin, were not.

All states were compared on business costs, labor supply, regulatory environment, economic climate and growth prospects. Wisconsin ranked 39th in skilled labor supply but came in 10th for quality of life.

It is often difficult to draw any conclusions from such surveys. However being ranked consistently in the bottom quarter indicates either that the numbers are incorrect or that we still have some work to do and improvement to be made. National news coverage of disgruntled public employees protesting at the State Capital may also discourage new business prospects from considering Wisconsin as a place to do business.

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Despite efforts by the state and local governments in Wisconsin to hold the line on tax increases in recent years, our state still maintains its ranking in the upper quarter percentage of personal income going to state and local taxes.

The U S Census Bureau disclosed that in 2010 state and local taxes amounted to 11.7% of personal income, or 9th highest nationally. The independent Tax Foundation ranked Wisconsin 5th highest. The biggest reason for the higher ranking was that property taxes paid by non-residents were included in their total while the census bureau only used state and local taxes paid by actual residents.

Taxes and regulations are still top criteria for business's considering locating in, or moving from Wisconsin.

* * * * *

Even though you and your employer combined a total equal to 15.3% of your salary aside each year for your retirement and Medicare benefits, payments made to you after

retirement will be referred to as "Federal Benefit Payments."

While the idea of individual retirement accounts has been suggested but never been accepted, do you believe that you are better off with looking forward to Social Security benefits or depending on your own retirement account.

One way to find out would be to take your annual salary, multiply it by 15.3%, and plan on investing it at a compounded average return of 3-5% for all of the years you are employed. Remember that after you retire and start making withdrawals you will be earning money on the balance in your account, and not sharing it with others or depending on new enrollees.

While the uncertainties of investments can be frightening for most of us, it is still the medium that keeps most private and corporate pension accounts growing and solvent. Only the federal government with the power to print money, set the rules, and not disclose financial information in the meantime could convince you that Social Security is a better deal.

Call it what you want, but Social Security still has many of the characteristics of a classic Ponzi scheme.

As usual, lots of 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

'Leaders are responsible not for running public opinion polls but for the consequences of their actions.'

. . . Henry A. Kissinger

"It is the editors job to separate the wheat from the chaff, then print the chaff."

. . . Adlai Stevenson

The TAX TIME\$

Brown County Taxpayers Association
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Green Bay, WI 54305-0684

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The TAX TIME\$ - January, 2013

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday, January 17, 2013, BCTA Monthly Meeting, 12:00 Noon.
Titledown Brewing Co. Discussion of current items.

Thursday, February 21, 2013, BCTA Monthly Meeting, 12:00 Noon.
Titledown Brewing Co.
Speaker: Green Bay Mayor Jim Schmitt

Thursday, March 21, 2013, BCTA Monthly Meeting, 12:00 Noon.
Titledown Brewing Co.
Speaker: Brown County Sheriff John Gossage

**Public officials and candidates for public office are cordially invited
to attend any of our meetings and be recognized.**

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday of each
month, 12:00 Noon, at Titledown 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.

January,
2013



“A generation which ignores history
has no past and no future.”
. . . Robert Heinlein

“The liberties of a people never
were, nor ever will be, secure when
the transactions of their rulers may
be concealed from them.”
. . . Patrick Henry

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.**

Historic National Debt

Date	U. S. National Debt
12/31/2012	\$ 16,317,911,635,422.20
6/31/2012	15,820,390,685,927.10
12/31/2011	15,125,898,976,397.90
6/31/2011	14,456,075,722,912.30
9/30/2010	13,561,623,030,891.70
9/30/2009	11,909,829,003,511.70
9/30/2008	10,024,724,896,912.40
9/30/2007	9,007,653,372,262.48
9/30/2006	8,506,973,899,215.23
9/30/2005	7,932,709,661,723.50
9/30/2004	7,379,052,696,330.32
9/30/2003	6,783,231,062,743.62
9/30/2002	6,228,235,965,597.16
9/30/2001	5,807,463,412,200.06
9/30/2000	5,674,178,209,886.86
9/29/1995	4,973,982,900,709.39
9/28/1990	3,233,313,451,777.25
9/30/1985	1,823,103,000,000.00
9/30/1980	907,701,000,000.00
6/30/1975	533,189,000,000.00
6/30/1970	370,918,706,949.93
6/30/1965	317,273,898,983.64
6/30/1960	286,330,760,848.37