



## A Tale of Two Senators.

Wisconsin State history of the 60's and 70's herald two fellows that shared a political party, Democrats however their contributions have left us with two very different outcomes. Senator Gaylord Nelson left us with Earth Day and additional government agencies, the EPA being most notable, and Senator William Proxmire, left us with the "Golden Fleece" awards and likely the legacy of legislators and citizens pointing out waste, fraud and abuse in government.

Fortunately, most if not all dire predictions of Earth Day proponents, have not come true, Earth has not run out of food, the globe has not cooled into an Ice Age, and the sun still shines on Earth, albeit NE Wisconsin, this year, a historical and meteorological anomaly. On the bright side, most are pleased with reasonable monitoring of our air, water and lands. I stress the adjective "reasonable", as we have also been left with behemoth governmental agencies and regulations and reach, to which Bill Proxmire might have taken umbrage. For proof of responsible and costly results, look no further than the Fox River, formerly "too thick to swim but too thin to plow!"

Alive today, I don't doubt Wild Bill would be a Libertarian or Tea Party follower. Today, it's our citizen's choice to be represented by Senator Ron Johnson and Senator Tammy Baldwin, Ron definitely a wasteful spending hawk, Tammy, who knows, but in this day we cannot afford legislators unwilling to not spend a buck and respectfully layoff unnecessary workers, a fact not lost on Kewaunee with the nuclear power station closing. Don't miss our July meeting to learn about the pending GBMSD upgrades, likely to raise rates over 40% in 4 years.

So just who is minding the store at the Public Utilities Commission or is the commission simply a rubber stamp, a "tinseltown tiger" of powerful interests. We only need look at the ethanol business and Wisconsin's RPS (renewable portfolio standard). The electricity production businesses would rather not live under Wisconsin's RPS that has forced them into energy systems not always suited to Wisconsin's climate and geography, expensive, foolish out-state ventures that have Wisconsin's cost of electricity 14<sup>th</sup> highest in the Nation. Sad commentary on a laudable enterprise, this is the tale of one Senator.

Now, let's look in the other direction, the budget hawks, the spending scolders, the proverbial "Golden Fleece." Indeed, Wild Bill (a term of high esteem) recognized the wasteful spending and from his awards sprung a willingness to speak to power, the entrenched power of the Senate, with no side to political party and began the age of poking at pork.

What Senator Proxmire did not see coming was the fulfillment for a quotation often mis-attributed from Alexander Tytler, a Scotsman, who said "A democracy cannot exist as a permanent form of government. It can only exist until the majority discovers it can vote itself largess out of the public treasury." So we find ourselves as the minority that must explain to the current majority that the goose and the golden egg will perish under their want.

Unless we left up those who mind the public coffers with care, not greed, with caution not foolish ways, ours may be the plight of the peasants as Dickens laid out in A Tale of Two Cities, when he speaks to the powers, the rulers that be and their ways that seem to operate on the idea "whatever is, is right." The BCTA has lived and should always be that part of our community that says, "whatever is right is right."

*Richard Parins* — President

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

## Wisconsin's Tax Climate.

America's 50 different states have 50 different tax codes. This variation lets states experiment and learn from each other which policies work best. Laboratories of democracy as our founding fathers intended. Each year, the nonpartisan Tax Foundation ranks states based on their business tax climate. This ranking takes into account state tax rates, the different kinds of state taxes, and whether or not the state taxes cause residents to forego economic activity.

The Tax Foundation ranks Wisconsin's tax climate as 43rd in the nation. This isn't very good and is the same ranking the state held last year. There was some reform of business taxes last session, and Wisconsin still ranks toward the bottom of the list because we have the fifth worst individual tax rate and a state-level alternative minimum tax, which complicates the filing process for taxpayers and makes some pay more.

Last year, Republicans in the Wisconsin Legislature worked with Governor Walker to change the business tax structure in Wisconsin. Manufacturers who chose to do business in Wisconsin were given a tax credit. Companies who created jobs were given a tax deduction. For businesses in states like Illinois, where taxes were raised by an astonishing 66% Wisconsin offered an incentive to relocate to our state.

Solid, pro-business legislation that we passed last session helped move Wisconsin's ranking from 41st to the 20th best state to do business in, in spite of our poor tax climate.

Business taxes have improved in Wisconsin, and families need tax relief too. That's why Governor Walker's budget proposes modestly lowering individual tax rates in Wisconsin, a measure the legislature will take up later this session.

The best business tax climate states are Wyoming, South Dakota, Nevada, Alaska, and Florida. These states generally have low income tax rates and in many cases do NOT have one or more of the major types of taxes (corporate, individual income, or sales). Wyoming, South Dakota, and Nevada, for example, don't have corporate or individual income taxes.

The worst business tax climate states are Rhode Island, Vermont, California, New Jersey, and New York. Taxes in these states are high, complex, and cause businesses and consumers to alter their behavior in order to avoid taxes.

It is clear taxes are a real part of the job climate in different states. Liberals argue that lower taxes will not create jobs - they think more government spending will. Modestly lowering tax rates is a positive step in the right direction for Wisconsin. Putting more people back to work means less dependence on taxpayer funded government programs like Medicaid, food stamps and unemployment insurance and more taxes being paid.

This is better for everyone

State Senator Frank Lasee

"Remember that a government big enough to give you anything you want is also big enough to take away everything you have."  
... Barry Goldwater

"When the political columnists say, 'Every thinking man', they mean themselves, and when candidates appeal to 'Every intelligent voter', they mean everybody who is going to vote for them."  
... Franklin P. Adams

## National Debt Update.

At the end of April the U. S. Nation Debt has risen to a new high of \$16,835,236,239.307., or an increase of about 81 Billion over last month at this time. Despite "Sequestration". It is still climbing at the rate of about 3 Billion per day, of which more than \$1.3 Billion have to be borrowed from someplace, or just printed. At this rate we will approach the \$17 Trillion mark by the beginning of summer, which no doubt will create a furious debate between Congress and President about raising the National Debt and you all know already how that will end.

Having Federal workers reduce their working hours was probably one of the stupidest ideas ever. Government workers will still get their pay and benefits. Cutting air traffic controllers was a dangerous and reckless move by the President. We all know that most government agencies are overstaffed and inefficient, but that is not the problem. The real problem seems to be what they do all day, and that is hand out money at the discretion of Congress and the President. Every agency is somewhat guilty.

As long as Congress gives it's approval to allowing it's members to approve spending our money on needless, non-essential discretionary items and the President can ignore them with spending projects of his own we will keep seeing the National Debt bury us. More and more economists are warning us of the potential and real consequences caused by over spending. That's the real problem.  
Jim Frink - BCTA

## Wisconsin Income Tax Reform

A member of Joint Finance, Rep. Kooyenga, who is a Certified Public Accountant (CPA) is reviewing the Wisconsin tax code and plans on introducing a tax reform package. Wisconsin consistently ranks among the worst ten states for property taxes, income taxes and overall business taxes. The low rankings are a direct result of Wisconsin's high tax rates and overall tax code complexity.

The aim is to simplify the tax code and eliminate tax credits that are not driving economic behavior. Wisconsin has over 52 credits. The majority of these credits are used by less than 1% of filers. Also, Wisconsin has taxes in addition to the baseline income tax.

The plan is to move the Wisconsin code away from the practice of picking winners and losers. Filers are often informed of the tax break in the following year which means the special tax break is not driving the intended behavior. The majority of our tax credits and deductions represent nothing more than spending through the tax code

## State Director of AFP to address BCTA.

Luke Hilgemann, State Director of Americans For Prosperity is scheduled to speak at our May 16, meeting discussing the subject of Wisconsin tax reform.

Luke has worked with the Wisconsin Legislature for over a decade in various capacities, and is very familiar with the Governor's budget and it's impact on the states economy.

In his position with AMF, he works to educate Wisconsinite about sound economic policy advocating the public policy process. Details on the back cover of this TAX TIMES. Plan on attending this interesting meeting.

## APRIL MEETING NOTES.

### *Harry Maier Speaks to BCTA.*

Monthly meeting of the Brown County Taxpayers Association held April 18, 2013 at Tiletown Brewing Co.

Harry Maier, chairman of the Green Bay Redevelopment Authority (RDA), updated BCTA members on development in the Green Bay area. He began by noting that he was originally appointed to the RDA by Mayor Sam Halloin. He was reappointed to the RDA by Mayor Paul Jadin and reappointed again by Mayor Jim Schmitt.

Mr. Maier explained that the RDA uses six-month development agreements with developers, granting them exclusive rights to develop a property. The developers pay a fee to the RDA for these development rights.

The major development in downtown Green Bay is the \$70 million Schreiber headquarters project. Schreiber is consolidating its workforce from several sites to its new headquarters, which will provide workspace for 500 Schreiber employees. Associated Bank is also consolidating its workforce from several sites to the Regency office building. About 350 employees will be located in the Regency office building, which is presently being remodeled.

The Hotel Northland is to be remodeled with 136 rooms. The Crystal Ballroom in the hotel will be restored to its original elegance.

The KI Convention Center will be expanded, a \$12 million project that will connect it to the Hotel Clarion. The RDA purchased the Hotel Clarion for \$28 million. It will be extensively renovated by the new owners. In total, construction and renovation in Green Bay will amount to about \$200 million in 2013 and 2014. Responding to a question about moving the coal piles from their location along the Fox River, Mr. Maier explained that moving them would be just too costly.

David Steffen, representing Taxpayers Network, Inc. (TNI), spoke about TNI and distributed copies of the 2012 edition of TNI's 50 State Comparisons, which has 65 tables of data comparing economic and government statistics for all 50 states. Mr. Steffen is also a Village of Howard trustee and a Brown County supervisor. He noted with pride that the Village of Howard has no debt. It operates on a pay-as-you-go basis. Discussing Brown County issues, he noted that the Brown County District Attorney's office has a backlog of 2,000 cases. There is a lot of necessary paperwork and preliminary investigation in order to bring a case to court and in the meantime defendant remain free on bail pending their case being brought to court,

The next BCTA meeting is scheduled for May 16, and our speaker will be Luke Hilgemann, State Director for Americans For Prosperity who will give a presentation on what is going on in Wisconsin. Details on the back cover of this Tax Times.

**Dave Nelson—Secretary**

"There is hardly a political question in the United States which doesn't sooner or later turn into a judicial one.

. . . Alexis De Tocqueville, 1835

"The word 'politics' is derived from the word 'poly' meaning 'many', and the word 'ticks', meaning 'blood sucking parasites'."

. . . Larry Hardiman

## Reforming Foodshare.

FoodShare Wisconsin is the state's program implementing the federal Food Stamp Act of 1964. It was designed to help low income families and individuals purchase food. The Wisconsin Dept. of Health Services (DHS), counties, and other local agencies administer the program.

Between 2003 and December 2012, the number of Wisconsinites receiving FoodShare benefits grew from approximately 462,000 to approximately 845,000. One contributing factor in the program's exponential growth was the national economic recession.

Additionally, a FoodShare audit report released by the non-partisan Legislative Audit Bureau in April 2012 cited; "Policy changes also reduced barriers to participation and increased the number eligible for benefits. For example, DHS expanded eligibility for FoodShare benefits to those with gross incomes up to 200 percent of the federal poverty level and eliminated net income and asset limits for most recipients."

There was an underreported factor influencing its growth as well. In 2009 former Governor Jim Doyle made job training voluntary to people on food stamps. Because of its voluntary status, few recipients availed themselves of the offered training.

Governor Walker's 2013-2015 biennium budget proposes FoodShare eligibility modifications for able-bodied adults. Changes to the program's entitlement will require individuals be working or enrolled in 20 hours per week of employment training to receive aid. It further requires increasing work searches from 2 to 4 per week for unemployment insurance eligibility.

Section 1214 amends Wis. State Statute 49.79 (9) (b) to read: . . . "Except as provided in par. (c), an individual who fails to comply with the work requirements under par. (a) without good cause is ineligible to participate in the food stamp program. . . ."

As stated in the budget, "If an able-bodied adult does not fulfill the work requirement, the department may limit persons eligibility for food stamps to no more than 3 months during a 3-year period."

Note: people determined by the FoodShare division of the Department of Health and Human Services to be medically certified as physically or mentally unfit for employment, a parent of a minor, pregnant women, and the elderly will be excluded from the work requirements. Wisconsin records show approximately 76,000 adults between the ages of 18 and 50 who are currently receiving FoodShare but are not actively seeking employment or job training will be affected by these changes.

Governor Walker stated during his budget address; "... we're not talking about pushing people out on to the streets. Instead, we are talking about empowering people to control their own destiny with a job in the private sector where they can pursue their dreams. This is what truly leads to freedom and prosperity."

As Americans, we are renowned for our generosity in helping the less fortunate and providing temporary help in times of need. Wheres permanent safety nets must always be in place to help the truly needy, this budget ensures the FoodShare safety net does not allow able-bodied adults to exploit the system.

**Rep. Kevin Petersen**

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.

## Things That Make Us Wonder.

President Obama announced that "in order to share the sacrifice being made by public servants", has volunteered to return 5% of his annual salary of \$400,000, or a total of \$20,000 to the treasury.

While this was a nice gesture demonstrating his concern over the national debt, will it help? Considering that \$20,000 would barely suffice to keep a 747 in the air for about 18 minutes, perhaps he should also taken a 5% reduction in his generous expense account instead and really helped us taxpayers.

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Of all of the numbers used to track the health of the economy, the ups and downs of the unemployment rate is probably the most significant. A small reduction is often credited to government policy and an increase often calls for more government tinkering.

The methodology used to track these numbers us based on unemployment claims filed which may or may not produce accurate results. For example, in April the Labor Dept. released it's monthly report which indicated 88,000 unemployed in Wisconsin, with an unemployment rate higher than other comparable states. However state agencies tracking job gains and losses disagreed with the Labor Dept., claiming more jobs were created than they indicated.

While providing the atmosphere for job creation is probably the states rather than federal responsibility, both sides should work together to create meaningful employment rather than using it for a political football.

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"A society without religion is like a vessel without a compass." **Napoleon**

"However beautiful the strategy, you should occasionally look at the results." . . . **Winston Churchill**

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

"Humor is also a way of saying something serious." . . . **T. S. Elliot**

An acquaintance of mine who managed a local TV station once referred to public radio as a "Hood and Rob," operation because it takes from the poor by spending public money for a service they didn't really need for the benefit of the rich who enjoy more high-brow entertainment such as classical music and operas without the annoyance of listening to commercials.

While NPR may fill a cultural void, and offer educational programming does it deserve priority over other items at a time when the government is cutting other services such as airline controllers and border security? We just heard they opened a new \$201 Million headquarters with state of the art equipment, which is also used to compete for listeners from privately owned stations financed by customer advertising.

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Despite spending millions of dollars on "deep tunnels and storage caverns" to control the flow of sewage into Lake Michigan during heavy rainstorms, the City of Milwaukee still has problems whenever it rains.

A certain amount of storm water is mixed with sanitary sewage causing overflows at sewage disposal plants and discharged into Lake Michigan. Not to worry as they claim it is treated with chlorine first. We don't even want to know what happens in Chicago, ten times larger and also on Lake Michigan.

The U.S. Geological Survey claims it has about 8,000 monitoring gauges placed around the country to warn of flood danger which is a factor causing storm water runoff but had to shut down 375 of them due to budget cuts. It seems you always have to blame somebody.

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It was recently announced that Green Bay's high schools had graduation rates as low as 76.8 and 78.6% while the state average is 87.5%. (dragged down by Milwaukee.)

Does this mean that only 3 of every 4 students enrolled in those schools fails to graduate? We are sure there is some plausible explanation to justify this.

We know we have one of the finest school systems in the state. In

recent years there have been a number of federal and state programs to improve education such as head start and no child left behind, and we question that lack of money is really the problem. With more and more students receiving advanced degrees a high school diploma becomes more important.

Is the problem an influx of students who refuse to accept education? We have also read that our truancy rates are extremely high? We realize you can't have the police bring malcontents to school each day and pour knowledge into their brains through a funnel, but their must be better solutions. Having 25% of students consistently absent with no incentive to learn has to have a negative effect on both the teaching staff that we all pay for and the other 75% who realize the importance of an education. Perhaps a citizens committee working with the school board to study the problem and make recommendations could be an approach. This approach has worked in the past.

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In the April 2, spring elections, 45 Wisconsin school districts had referendums seeking voter approval on various projects. A total of 26, or more than half were approved in full or in part.

While reasons for approval or disapproval may vary from district to district, the bottom line seems to be that those with a reputation for fiscal responsibility and believable homework justifying their requests were likely approved.

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There has been talk in Green Bay of possibly combining the County operated Museum and Library. The library has had an ambitious repair and remodeling project pending, and the Museum also needs work and a means to boost attendance. Recall they were both in the present Federal Court building but outgrew those quarters about 30 years ago.

Both of these facilities provide vital services to the community, and any attempt at combining them will likely cost a lot of money with disruptions of services and some winners and losers along the way.

The library may be asked to

qualify expansion considering wide-spread use of the internet as a personal reference tool. The museum will need to justify itself as a tourist attraction and educational facility.

There has been talk of obtaining the old "Green Bay" destroyer escort now serving in the Greek Navy which could be a popular attraction but it would likely be expensive to refurbish and maintain.

Whatever happens will be a matter of priority and what taxpayers are willing and able to pay for.

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Homelessness in Green Bay seems to be a problem that won't go away by itself. Particularly disturbing are reports that several hundred school children in the area are considered as homeless. Various churches and other organizations try to feed and shelter these unfortunate people at night but they need somewhere other than the library during the day.

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The UW System is a large, proud and complex operation, and is constantly seeking additional funding in order to keep improving. This year, the Governor's budget provides an additional \$181.5 million for the system which prompted the school's president to proclaim they would limit tuition increases to only 2% annually rather than the 5.5% the last 5 years.

Now the Legislative Fiscal Bureau has found that the system has about \$650 million stashed away for no particular reason, and some members of the Legislature are demanding that state funding be cut accordingly.

It is a good idea for everyone including government to keep a little extra cash on hand for emergencies but in this case it appears that students and taxpayers are the losers.

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Surrounded by sad faced supporters, Pres. Obama soundly chastised his Democratic controlled Senate by claiming they voted against the wishes of 90% of the population, for voting against his gun control package. Actually there were so many conflicting amendments to the bill it probably died of it's own weight, with

more to come if somehow passed

While it is possible that 90% of the population would like to see the end of the horrific and well publicized gun related incidents from recent years, the same 90% probably realize that these tragedies can't be prevented by ineffective sound-good legislation imposing government control.

While many seem to agree that a reasonable background check is acceptable for the purchase of guns and ammunition, what kind of background check and government red tape would it have taken to prevent the tragic Boston Marathon events?

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Back to state news. On April 15, Dan Burkhalter, executive director of WEAC, announced his resignation from the \$25 Million a year business. His 2010 salary and benefits was announced as \$264,058. Also, Mary Bell, the groups president with compensation of \$186,075. will finish her second 3-year term on July 31, and is not eligible for re-election. It is no wonder they tell teachers they are being underpaid.

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In many ways Milwaukee County and the State of Wisconsin are two different places. More than just being the largest city in the state.

While in the rest of the state, County Boards consists of civic minded citizens devoting their time and energy in the interest of good government for minimal salary, Milwaukee County pays over \$70,000 per plus insurance and other benefits. They also seem to have a reputation for opposing efforts to create new business unless it is union friendly.

Presently there is a bill in the State Assembly capping terms from 4 to 2 years, removing benefits not otherwise covered by law, and providing for referendum approval capping supervisors pay at the counties average per capita income. All good ideas for every county.

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In early April Pres. Obama's administration reported that it wanted banks and other mortgage lenders that it wanted to them to ease up a little on mortgage standards in order

to qualify more people, particularly young professionals, for home loans.

While it would be assumed that young professionals would be the most qualified for home loans in the first place. He also suggested more borrowers take advantage of government funded services like the Federal Housing Administration.

Aren't these some of the same policies that helped get us into our fiscal mess in the first place?

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One of the interesting things about Green Bay is that it is home to one of the most popular sport teams in the country, and that many of us are actually, (at least on paper), part owners of the franchise.

Like all professional sporting teams winning or losing depends on the talent that wins the games and people pay to come see in action. Due to the popularity of sports and the money created the price of talent has skyrocketed in recent years, Fans demand the very best and will accept nothing but the very best. No problem.

Presently being negotiated are contracts in amounts that were unheard of just a few years ago. Ten, fifteen, or twenty-five million per year, per player, depending on bonuses, performance, injuries, etc. We have no problem with the numbers as long as the money is there to pay them, and the fans, advertisers, and other players on the team are willing to accept it Also that it doesn't show up on our tax bills.

Just for the record, we figured out what one player or a combination of players making \$25 million per year comes to: Would you believe \$47.57 a minute or \$2,854.20 per hour: 24/365. Nice work if you can get it.

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Whenever you open a new bank account, apply for credit, or visit a medical facility the first thing they do is present you with a statement that your personal information will be held in strict confidence. It's the law in respect to your personal privacy.

It seems these same rules don't necessarily apply to the State of Wisconsin however. For years they have made a practice of making motor

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vehicle owner information, professional license holders, and others available to "qualified" parties for a fee.

Their justification seems to be that they are doing the people on these lists a favor by making it easier for business's selling items used in their trades to contact them.

Now it is disclosed that the state also has for sale the complete list of 3.7 million registered voters for only \$12,500, which is a real bargain for any political party with millions to spend on behalf of their candidates.

This information includes the voters address, and whether they actually voted in recent elections. Matching this information with results from previous elections by precinct can provide strategists a pretty good idea of how to plan their campaign.

Not that this is all a bad idea in this age of multi-million dollar political campaigns except that issuing the lists can be under partisan control and can also be used to prepare the databases for the mailing and phone calls which tend to turn people off on politics.

The Government Accountability Board claims these sales are permitted by law, resulting in \$388,595 for the state with 585 sales since 2011. We question they made a profit as it would take a lot of work on both the local and state level to maintain these records and prepare them for distribution.

Public disclosure laws are fine and have their place, as well as the right to individual privacy, but sometimes they seem to conflict with each other when politics are involved.

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In the meantime various states including Wisconsin are working on various laws to prevent voter fraud. Unfortunately new laws, the privacy issue, general apathy and disgust with politics in general seems to discourage voting.

The media could and should do more to encourage people to vote. Rather than publicizing their predictions of poor voter turnouts as they did before the April 2, election and blabbering about which candidate has the advantage because he raised the most money, they should be telling people to get out and vote.

People like to complain about

government, but they should be reminded they get what they vote for, and in even more cases what they didn't vote for.

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The state has taken one positive step towards updating their voting records. We read that on April 15, the Elections Division of the Accountability Board mailed postcards to 300,000 people who were registered voters but had not voted in any election during the past four years.

The cards were titled, "Notice of Suspension," and advised recipients they would be dropped from listings of registered voters unless they returned an attached card requesting to remain on the lists or advising of an error,

No doubt this more helped update the lists by identifying people who had moved, died, or as a reminder to vote more often. It probably also identified a lot of college students who were bussed to the polls to register as state residents during the Presidential and other major elections and have since moved on.

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The recycling of waste materials seems to be coming more popular as people become used to the idea. A couple of things that could be helpful would be if manufacturers would try to package their products in completely recyclable containers making them easier to dispose of.

Also, if tax incentives have to be used to encourage new business new uses for recycled materials to encourage recycling should be a consideration as an encouragement.

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While just about anyone can find places where the Federal Government could save some money, the people in Washington concentrate on both the picayunish and the painful, The first being cutting back on tours for White House tours causing a public awareness, and the latter being reductions in the hours of the nation's 15,000 air flight controllers causing massive flight delays and safety concerns.

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The Boston Marathon bombing was a horrible tragedy making us all wonder about public safety at

events in our country.

From what we saw it appears just about every law enforcement officer in the state was brought in to help find the suspects. Remembering the fuss made in Green Bay last year regarding who pays for security when Presidential candidates visit town, we wonder who will pick up the tab in Boston.

The question has also been raised as to who will pay the medical expenses and damages to the injured? Not all have insurance. Who can they sue? Taxpayers paid a good share of the 9/11 damages but this could be an expensive precedent. No doubt lawyers will find someone to blame.

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At the urging of President Obama, some kind of federal immigration reform seems to be on the fast track through Congress. Economic and political factors seem to be driving the debates with both Democrats and Republicans offering amendments.

Perhaps the biggest problem is what to do with the ten thousand or more illegal immigrants we already have within our borders and how to control immigration and border security in the future.

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Another item which seems to be finally coming to a head is the charging of sales tax on mail and internet sales. This issue has been a sore point with state for several years due to the fact that E-Mail vendors are not compelled to collect sales tax on their sales unless made to a state in which they have a physical location.

The states claim they are losing billions in sales tax revenues as a result, and at the same time, local merchants claim they are losing business to E-Mail operators as they don't charge the tax.

Although most states provide provisions for voluntarily paying them sales tax not previously paid as an item on their income tax forms (Including Wisconsin), compliance is largely ignored.

The problem is not simple to resolve. Presently 45 states impose a sales tax of from 4.0 to 6.75%. In addition there are literally thousands of cities, counties, special districts, and whatever who have their own sales taxes which are piggy backed on top of the states

tax. But that's not all. Each state has its own list of taxable items, or may tax certain items at different rates. For example, many states do not tax items of clothing while other tax food items.

While Wisconsin has what is considered a "general sales tax", there are exemptions which can apply. Examples are sales to government, non-profit organizations of which there are many categories, or tools used in manufacturing or farming. It is difficult to decipher the laws of any one state let alone all of them. Using ZIP code or county boundaries as a guide is not always right.

Although this is largely a state problem they are looking to Washington for a solution, and as can be expected they might want some of the action. One solution has been to have the federal government administer a single rate sales tax on all interstate transaction and then use a formula for distributing the proceeds to the states: For a fee of course for their services.

While this would be unacceptable as well inflationary, most other schemes would probably be as bad. One possibility would be for states at their own option require that all vendors charge and report sales taxes on sales to their state. Most states would probably opt for this.

The problem is that vendors would have to register as a seller with the state, keep track of their transactions, remit and report them accordingly. Considering there are thousands of taxing jurisdictions and more thousands of internet retailers you have the making of one huge logistics mess.

Giant retailers like Amazon in anticipation of change in the way they do business are making preparations for whatever happens, and have the resources to comply. However smaller companies and those that make minimal interstate sales may suffer.

Like with any other legislation, there are no rules that please everyone. You can always count on congress to make a bad situation worse.

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The Colorado River has done a great job of carving the Grand Canyon and providing hydro-power for communities along the way.

It has also provided water for

irrigation and municipal use by those communities to the extent that when you reach it's mouth in the Gulf of California, there is not much of a river left. This has left a desert area in northern Mexico that was formerly productive farmland and wildlife habitat.

While efforts are underway to restore the flow of water to some extent, its another one of those things where the solution costs more than creating the problem in the first place.

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It has always been difficult to compare salaries and benefits between public and private employees. There are not that many job descriptions that are similar. One recent survey showed public workers earning about 20% more than those in the private sector while another asserted that public workers make about 5% less. It seems to be a matter of who sponsored the survey and just what they wanted to prove.

The value of benefits is often difficult to factor in. For example vacation pay and sick leave in the private sector means providing a salary to an employee when they are not doing anything to earn it while in the public sector it is a budget item whether the person is working or not.

Increases in the private sector may depend on competitive conditions and whether the employer and justify the added expense, while in the public sector increases in labor expense can be included in the budget and tax levies adjusted accordingly. One big item is that promotions in the private sector are often based on performance while in the public sector jobs are more classified with specific requirements which may discourage promotions.

Either way, it seems to be a matter satisfaction with what you are doing, and the ability to play company politics, like your job or not.

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The Securities and Exchange Commission, (S.E.C.) is being pressured by various activists to require all publicly traded corporations to disclose to shareholders the names of recipients of all of their political contributions.

It is obvious this is politically motivated and outrageous. It seems

wholly intended to punish business based on their political beliefs and the the whims of their shareholders.

Since there are far more corporations in the country than there are politicians, perhaps a law requiring that all politicians receiving corporate campaign contributions have the list published would be even more effective. This information is available from campaign disclosure statement but there is no requirement it be publicized leaving the media the option of ignoring it if not in their interests.

\* \* \* \* \*

Indian gaming casinos in Wisconsin have shown a fairly steady increase in wagering and earnings since they were first initiated. However, a recent Press-Gazette article claims a slight decrease since the peak year of 2007 and there was speculation that it may have reached its peak. This business depends on the economy like any other. We acknowledge this is a pass time of choice for many people and a valuable source of revenue for the tribes.

The article also reported that the Wisconsin Council on Problem Gambling had 14,464 calls last year with the average debt of those seeking help being \$38,500.

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."*

"The American Republic will endure until the day Congress discovers that it can bribe the public with the public's money." . . . Alexis de Tocqueville

"A generation which ignores history has no past and no future."

. . . Robert Heinlein



# The TAX TIME\$

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  - Wisconsin's Tax Climate.
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  - State Director of AFP to Address BCTA.
  - April Meeting Notes.
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  - Things That Make Us Wonder.
- And more . . .

## The TAX TIME\$ - May/June, 2013

### BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

*Note: Summer Tax Times schedule. Next issue will be July/August.*

Thursday, May 16, 2013, BCTA Monthly Meeting, 12:00 Noon.  
Tittletown Brewing Co. Speaker Luke Hilgemann  
State Director, *Americans For Prosperity,*  
*Wisconsin State Tax Reform and The Budget.*

Thursday, June 20, 2013, BCTA Monthly Meeting, 12:00 Noon.  
Tittletown Brewing Co. Program to be announced.

Thursday, July 18, 2013, BCTA Monthly Meeting, 12:00 Noon.  
Tittletown Brewing Co. Program to be announced.

***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 Tittletown 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.



"In times like these, it helps to recall there have always been times like these." . . . Paul Harvey

"The true soldier fights not because he hates what is in front of him, but he loves what is behind him." . . . G. K. Chesterton

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