

Wisconsin Institute for Law & Liberty: Joins Brown County Taxpayers Association to sue Brown County over illegal sales tax

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County Not Using Tax to Lower Property Tax Levy as Required by State Law
Milwaukee, WI - Yesterday, the Wisconsin Institute for Law & Liberty filed suit against Brown County in state court, alleging that the County's new Sales and Use Tax violates state law. The lawsuit is on behalf of the Brown County Taxpayers Association and a resident of Brown County, and also names the Secretary of the Wisconsin Department of Revenue as a Defendant.

On May 17, 2017, the Brown County Board of Supervisors enacted an ordinance creating a 0.5% sales and use tax intended to go into effect on January 1, 2018. The tax will fund \$147 million in spending on projects like a new STEM center, library projects, road works, and museum exhibits. Based on the County's 2018 budget, the tax will raise over \$22 million and spend close to \$18 million in 2018 alone.

Although Wisconsin law permits counties to impose a "sales and use tax" of 0.5%, such a tax may only be imposed to reduce the existing property tax levy imposed by the County. Brown County's Sales Tax is not being used to reduce its property tax levy but is instead being used to evade the County's levy limit and is therefore void and unenforceable.

"Brown County has enacted an illegal tax in violation of State law in order to fund projects that they could not otherwise fund," said WILL's President and General Counsel Rick Esenberg. "By doing so they will raise the price for all taxed products and services in Brown County, increase the cost of living, and place an additional burden on vendors and consumers. We have laws for a reason, and the reason for Wisconsin's tax levy limits is to ensure political subdivisions like Brown County do not have unbounded authority to tax their residents."

WILL's complaint for the lawsuit can be found [here](#).

WILL has been on the forefront of challenging illegal taxation and government spending in Wisconsin, including their successful effort to prevent Milwaukee from passing the utility costs of the Streetcar construction on to consumers and their ongoing challenge opposing the City of Eau Claire's illegal creation and expansion of Tax Incremental Districts.