

# One Wisconsin Now: Republicans protect special state tax loopholes at request of big business lobby

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*Corporations and Wealthy to Get \$361 Million Windfall, Including Breaks on Spending for Food, Drinks and Salaries for Millionaires*

MADISON, Wis. — The state big business lobby, Wisconsin Manufacturers & Commerce (WMC), lobbied legislators to protect special state breaks for big business, banks and the wealthy, including deductions for corporate spending on food, drinks and compensation for millionaire executives. Today Republicans on the Joint Committee on Finance did their bidding, doling out a \$361 million windfall by rejecting Gov. Tony Evers' budget proposal to close the loopholes.

“When Republicans brag about the amounts of tax cuts, it’s important to pay attention to see who they’re cutting taxes for and how they’re paying for it,” said One Wisconsin Now Executive Director Analiese Eicher. “In this budget Republicans protected special state tax loopholes for their big business benefactors, and the rest of us are the ones paying for it.”

According to an analysis by the nonpartisan Legislative Fiscal Bureau, rejecting Gov.

Evers' proposal to close special corporate tax loopholes carries a hefty price for the rest of us, a total of over \$361 million in just the 2019-21 budget cycle.

Failing to align state tax treatment of corporate spending on food and drinks with federal tax law changes as Gov. Evers called for would cost the rest of Wisconsin taxpayers over \$18 million in lost revenue over the next two years. Another provision would have closed loopholes for deducting the costs of compensation for millionaire executives. Republicans siding with their big business friends leaves the rest of state taxpayers out over \$8 million in this budget.

Eicher noted previous votes on the 2019-21 budget by Republicans, who hold the majority on the Joint Committee on Finance, dramatically cut investments proposed by Gov. Evers in public schools and eliminated from consideration a plan to help student loan borrowers refinance their education debt, just like you can with a mortgage. Republicans even refused to add a single penny to the main state higher education financial aid program, even though it is so badly underfunded that over 35,000 students eligible for aid received none in the 2017-18 school year.

She concluded, "If you want to know whose side the Republicans are on, look no further than this vote for special state tax loopholes for things like food, drinks and compensation for wealthy corporate executives. Even more appalling is this vote came after they told people like Wisconsin student loan borrowers and students eligible for financial aid but getting none there would be no help for them."