

Sen. Marklein: Small businesses become victims of activist judges playing political games

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Madison, WI – Senator Howard Marklein (R-Spring Green) expressed dismay and frustration that small businesses are the latest victims of activist, Dane county judges who are playing political games with decisions made by the Wisconsin legislature.

“We passed a good tax reform bill in December that put small businesses on equal footing with big companies,” Marklein said. “These companies are currently wondering whether the changes we made are law or not. They cannot move forward and make decisions because of Dane county judges. This delay could have serious tax implications for small, main street businesses.”

Act 368 was passed and became law as a part of the Extraordinary Session in December 2018. Recent court rulings in Dane County have blocked the results of the Extraordinary Session.

Act 368 created an option that allows S corporations (small business corporations), partnerships and limited liability companies to obtain the same tax treatment as big corporations, like Wal-Mart. It was supposed to be effective for S corporations beginning with the 2018 tax year and for partnerships and limited liability companies treated as partnerships beginning with the 2019 tax year.

“The recent court ruling puts Act 368 in jeopardy and creates uncertainty for small businesses who would benefit from this bill,” Marklein said. “I am frustrated that

judges and the Administration have decided to play games with the future of small town, economic drivers. Even with the recent 'stay' granted by the District 3 Court of Appeals, businesses still don't know whether this law will apply. Small businesses and their tax advisors want certainty."

Marklein represents the 17th Senate District, which includes all or parts Grant, Green, Iowa, Juneau, Lafayette, Monroe, Richland, Sauk and Vernon counties. Marklein serves on the legislature's budget-writing Joint Finance Committee and is Chair of the Senate Committee on Agriculture, Revenue & Financial Institutions.