Wisconsin Manufacturers & Commerce: Calls on Congress to oppose the Inflation Reduction Act

Posted on Friday, Aug 12, 2022

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MADISON – Wisconsin Manufacturers & Commerce (WMC) – the combined state chamber of commerce and manufacturers' association – sent a letter to Wisconsin members of Congress calling on them to oppose the Inflation Reduction Act (H.R. 5376).

"Beyond failing to accomplish the goal stated in the name of the legislation, it would also raise taxes by billions of dollars and increase costs across the board," WMC President & CEO Kurt R. Bauer wrote in the letter. "By the technical definition – and from what numerous employers have told us directly – the United States has entered into a recession. Now is not the time to increase taxes."

The letter explains the negative impact the bill would have on the Wisconsin economy and breaks down the variety of tax increases that would increase costs for businesses and families. In part, the letter reads:

"According to estimates, the so-called Inflation Reduction Act would increase taxes by over $1 billion on coal production and $6.5 billion on natural gas. Given more than three-quarters of Wisconsin's energy generation comes from coal and natural gas, this would result in higher prices for Wisconsin ratepayers.

“The bill also would add $12 billion in taxes to crude oil, which would be passed directly onto consumers. Even with recent reductions in the price for gas, it is still 60 cents per gallon more than a year ago and far higher than the roughly $2 per gallon Wisconsinites were paying in August 2020.

“Worse yet, the Senate-passed version would hike taxes by $225 billion on companies that employ millions of Americans, including Wisconsinites.”

WMC concluded in the letter that lawmakers should oppose the bill and instead pursue tax, energy and workforce policies that strengthen the Wisconsin economy.