

Evers nixes top two income tax breaks, signs budget after 51 partial vetoes

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Gov. Tony Evers today signed a budget that cuts income taxes by \$175 million over the next two years — a fraction of what GOP lawmakers had proposed — while nixing Republican provisions to cut diversity, equity and inclusion positions at the UW System.

In all, Evers issued 51 partial vetoes — one more than two years ago — but signed off on most of the \$98.7 billion budget GOP lawmakers sent him last week.

Republicans ripped the gov for slashing their income tax cuts. But Evers dismissed the \$3.5 billion GOP package as geared toward the wealthy, saying he used his partial veto authority to do “what I can to ensure that tax relief goes to working families who need help affording rising costs, not the wealthiest taxpayer in Wisconsin.”

While saying the GOP budget was “incomplete,” Evers also rejected calls from some to veto the entire two-year plan. He cited the various priorities he achieved in the budget, including increases in funding for education and local governments.

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“Vetoing this entire budget would mean abandoning priorities and ideas I’ve spent four years advocating for,” he said ahead of the signing in the state Capitol. He later made appearances in Green Bay and Bangor to tout the budget signing.

Evers’ most important vetoes nixed GOP plans to reduce two of the state’s four income tax brackets, part of the \$3.5 billion package.

The GOP plan sought to reduce the four income tax brackets to three while reducing the rates for all of them. His vetoes nixed knocking the top rate of 7.65 percent down to 6.5 percent and the second-highest bracket of 5.3 percent to 4.4 percent.

The top income tax bracket applies to income of \$405,550 or more for married joint filers, while the second-highest bracket covers income from that down to \$36,840 for those same taxpayers.

GOP state Sen. Van Wanggaard said the gov's moves means the average taxpayer will see an average cut of \$37.

"With his veto message today Governor Evers said, 'F*** the taxpayers, they don't know a G** d*** thing about spending their own money,'" the Racine Republican said in a statement. "These vetoes aren't the work of a rational governor. They are the conscious decisions of a radical governor."

Wanggaard's comment was a reference to the Senate debate on the budget, when Dem Sen. LaTonya Johnson, of Milwaukee, said "F*** the suburbs because they don't know a goddamn thing about how life is in the city."

Evers left untouched the GOP provisions taking the lowest tax bracket to 3.5 percent from 3.54 percent and the second lowest one from 4.65 percent to 4.4 percent. Those tax cuts kick in for tax year 2023 and apply to incomes up to \$18,420 for married couples filing jointly and \$36,840, respectively.

He also vetoed a provision that would've directed the Department of Revenue to update withholding tables this fall so workers would start seeing the impact of the tax cuts in their regular paychecks starting in January.

Evers noted the Revenue secretary has the power to make the adjustments without legislative approval and will "assess whether and when these updates should be made." The gov vetoed a similar legislative directive in the 2021-23 budget and then directed the agency to update withholding tables on its own.

The money that would've gone to the GOP tax cuts will instead remain in the general fund. That sets up the state to have a surplus of more than \$3 billion at its starting point for the 2025-27 budget in two years.

The 51 partial vetoes targeted a GOP provision that sought to ban – to the extent

allowed under federal law – payments through Medical Assistance for puberty-blocking drugs used for gender dysphoria or transition, as well as gender reassignment surgery.

Republicans also sought in the budget to target 188 positions at the UW System related to diversity, equity and inclusion. Assembly Speaker Robin Vos has been a leading proponent in targeting such efforts, calling them divisive. The gov's veto wipes out that position reduction.

At one point, Evers had threatened to veto the entire budget if Republicans went forward with a \$32 million cut to university funding. They still reduced state aid to the system by \$32 million, but set aside the money in the Joint Finance Committee's supplemental appropriation. The system can seek to have the money released after submitting a plan to the budget committee that shows how it would spend the money to bolster Wisconsin's workforce.

"I also want to be clear, Republicans' decision to prolong their decade-long war on higher education by failing to provide meaningful investments in our University of Wisconsin System and our tech colleges is short-sighted, misguided and wrong for the workforce, wrong for our economy and wrong for our state," Evers said.

Vos, R-Rochester, ripped the decision.

"Contrary to Governor Evers' statements, Republicans are not waging a war AGAINST higher education," Vos said in a statement. "We are waging a war FOR higher education by signaling that well-balanced instruction and merit-based advancement should be the foundation of earning a degree."

The impact of other vetoes included:

*extending through 2425 an annual increase in the per-pupil spending limit of \$325 a year. The budget included increases of \$325 in each year of this biennium as part of a deal GOP lawmakers reached with the gov on state aid to local governments, as well as increasing the size of state-funded vouchers for private schools. The gov's action, though, seeks to extend that annual increase by four centuries. Future legislatures, though, can change that number.

*nixing a \$725,000 earmark for the Lakeland STAR Academy in the district of GOP state Sen. Mary Felzkowski. Evers vetoed a similar earmark in the 2021-23 budget

for the charter school. The gov wrote in his veto message he believed it was unfair to single out one charter school out of the hundreds in the state for an earmark.

*removing nearly \$3.4 million that Republicans wanted to set aside in the Joint Finance Committee's supplemental appropriation as an earmark for the UW System to request after developing a plan to restructure the two-year campus in Washington County to be a joint operation with the Moraine Park Technical College. The university didn't request funding for the move, and Evers wrote he objected to singling out one campus.

*reworking \$10 million GOP lawmakers wanted to provide to Visit Milwaukee ahead of the city hosting the Republican National Convention in 2024. The impact leaves a \$1 million grant to Visit Milwaukee with the other \$9 million instead reserved for general marketing purposes. The gov also removed a requirement that the state award the grant in fiscal year 2023-24.

*wiping out a \$1 million earmark for the restoration of a dam in Burlington, which is part of Vos' district.

*expanding a prohibition on WisconsinEye charging fees for recorded content of public meetings in exchange for a grant of up to \$10 million. The impact means the public affairs network, which must raise private funds to match the public dollars it can receive, can't charge fees for any content.

*wiping out a nearly \$2.2 million earmark for projects at Amnicon Falls and Pattison State parks in northern Wisconsin. Evers wrote he objected to limiting the department's flexibility to prioritize projects based on need. State Sen. Romaine Quinn, R-Cameron, accused the gov in an interview of going back on a promise to support the funding and declared he wouldn't "stand by and let these lies go unanswered."

Other vetoes nixed GOP plans to: require the State Patrol's Dignitary Protection Unit to provide security for state Supreme Court justices; create a \$1 fee for stickers that identify hybrid and electric vehicles to alert emergency personnel of unique safety concerns with the cars; and earmark \$16,540 to a private group to promote the U.S.S. Wisconsin submarine.

See Evers' release [here](#).

Read the veto message [here](#).

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