

Rep. Allen: Flat tax proposal: Saving Wisconsinites money

Posted on Tuesday, Jan 17, 2023

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Today, State Representative Scott Allen (R - Waukesha) signed on as a co-sponsor of a bill draft, LRB-1049, establishing a flat individual income tax rate.

“I am excited to co-sponsor this proposal that will put more money back into the hands of overtaxed Wisconsinites and unleash the Wisconsin economy,” said Rep. Allen.

The proposal would gradually lower the individual income tax to 3.25% by 2026. Currently, single filers that make over \$27,630 and married-joint filers that make over \$36,840 have to pay 5.3%. Nearly two-thirds of taxpayers fall in this income bracket.

“We keep hearing that a flat tax would have little or no benefit for working people, but that is just not true,” stated Rep. Allen. “A flat tax will bring significant relief to the vast majority of working Wisconsinites. The numbers do not lie. This will make Wisconsin competitive and help us address our labor force shortage.”

The fact is that 95% of Wisconsin’s businesses are structured as pass-through entities, which means that many small businesses pay taxes based on the top income bracket.

“After previous years of government ordered shut downs, this flat tax would help small businesses grow, and thus benefit the working people of Wisconsin,” said Rep. Allen. “The narrative that this is just a tax break for the rich is completely false. Democrats want to continue to overtax Wisconsinites to fund bloated, failing government programs. Republicans want to save Wisconsinites money while funding critical government functions.”