

Rep. Callahan: Assembly Republicans propose “returning your surplus”

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[Wausau, WI] – State Representative Calvin Callahan (R-Tomahawk) and his Assembly Republican colleagues announced a proposal this morning to reduce the state tax burden this biennium by nearly \$3 billion. This legislation will be known as the “Returning Your Surplus” proposal due to its goal of returning a large portion of the state’s surplus back to the middle class and creating an income tax exemption for retirement accounts.

“It is beyond evident in today’s economy that Wisconsinites are in need of major tax relief,” stated Rep. Callahan. “Many folks are facing difficult financial times. Republicans included the largest tax cut in state history in our state budget proposal, but, unfortunately, the governor vetoed almost all of the savings for the taxpayers. Under this new plan, the average filer will see savings of \$772. The state’s surplus is your money, and we are sending it back to you.”

The proposal cuts taxes on earned income in the third bracket from 5.3% down to 4.4%. The third bracket contains single filers making between \$27,630 and \$304,170 and married-joint filers making between \$36,840 and \$405,550. With the average family in our state making about \$67,000, this tax cut would undeniably help the middle class.

“The plan also contains a new constitutional amendment,” continued Rep. Callahan. “This amendment would require a two-thirds supermajority vote of the legislature in order to raise taxes in the future. This will be the first consideration of the amendment. It will have to pass the legislature this session, and again next session, before heading to the voters.”

The proposal will now head to a committee, where it will soon receive a public

hearing before further consideration.