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MEDIA CONTACT: Julia Taylor
jtaylor@gmconline.org
414-322-7576

**Greater Milwaukee Committee voices support
for needed tax reform in governor's 2021-22 budget**

*Policy giving municipalities more flexibility in controlling local revenue,
less reliance on property taxes a significant step in the right direction*

MILWAUKEE – Today Governor Evers announced that his proposed 2021-22 state budget would include a significant policy advance on tax reform for Wisconsin. The proposed policy would allow local municipalities more local revenue control and flexibility to shift local revenue sources from almost total reliance on property taxes to sales tax through a binding referendum process. The Greater Milwaukee Committee has been advocating for the policy change since 2017. This initiative has broad community support from business and local civic leaders in Milwaukee and cities across the state. The need for this proposed increase in local revenue is significantly greater now due to the impact of COVID-19 on local municipal budgets. The City of Milwaukee alone experienced a revenue loss of \$30+M in 2020, causing a significant reduction in the services our local government can provide its citizens. We thank the Governor for his leadership in including this well-researched reform as a solution to meet the significant needs of local government.

The Greater Milwaukee Committee commissioned two Wisconsin Policy Forum's reports, "On the Money" (2017) and "Dollars and Sense" (2019). These reports highlight Milwaukee's uncommon dependence on property tax to support local services. This reliance on property tax creates higher property taxes and increases the price of housing. Following an analysis of 39 similar-size cities, the forum found Wisconsin is the only state in the Midwest that limits municipalities to the property tax as the only form of local taxation. And it's the only state whose largest city has the same tax structure as all other municipalities.

The Wisconsin Policy Forum's "Dollar for Dollar" 2021 report highlights that due to shrinking budgets and an inability to increase local revenue, Wisconsin's per capita spend is 2.5% below the national average.

The GMC supports the tax reform as laid out by Governor Evers because we are interested in creating equity for our community. This proposed tax reform will support racial equity through funding greater access to essential mental health and other public health services, transportation, and parks.

The GMC is a founding member of Move Forward MKE in partnership with the City of Milwaukee, Milwaukee County, and the Metropolitan Milwaukee Chamber of Commerce (MMAC) with local business, civic, and elected officials.

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