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League Supports Local Finance Option

The League of Wisconsin Municipalities supports Governor Evers proposal to give local governments an additional tool to support essential local services. The Governor's proposal would allow cities and villages with a population of at least 30,000 to give their citizens the option of adopting a one-half percent sales tax to fund local services. Counties, which already have authority to enact a one-half percent sales tax, could choose to propose a similar referendum for an additional one-half percent.

"Wisconsin relies too heavily on property taxes to pay for schools, police, roads and other essential services," said League Executive Director Jerry Deschane. "Study after study has shown that the state needs to spread that load to a more balanced system of financing. We are grateful to Governor Evers for proposing an option for citizens to choose."

The League notes that Republicans and Democrats from large cities and small villages across Wisconsin have supported giving local citizens a sales tax option. Modest local sales tax proposals have been offered in previous legislative sessions by Green Bay Republican Representative John Macco, Wauwatosa Republican Senator Dale Kooyenga, Hudson Republican Representative Dean Knudson, Minocqua Republican Senator Tom Tiffany, Milwaukee Democratic Representative Evan Goyke and Democratic Senator LaTonya Johnson, among others. In addition, proposals are offered every year to authorize Premier Resort Area Taxes (a sales tax) in areas where tourism is an important factor in the economy. Such proposals almost always have strong support from both local taxpayers and the local business community.

"A tremendous amount of research and work has been done on this issue by Republicans and Democrats. The Governor is building upon work that was begun by Representatives Macco and Goyke, Senators Kooyenga and Johnson and many others. This discussion is important to Wisconsin's future."

The League hopes the Governor's proposal is seriously considered by the Legislature, pointing out that lawmakers have an opportunity to continue the fight to maintain lower property taxes.

"Under current law, citizens in Wisconsin have the option of going to referendum to raise their property tax. Many have done so. Why not give them an option that many of them would prefer; to avoid increasing property taxes by adopting a small sales tax?" said Deschane.

The League of Wisconsin Municipalities advocates for Wisconsin's cities and villages, large and small, urban, and rural, speaking up for local democracy and common-sense citizen led government. http://www.lwminfo.org/