



# MARY FELZKOWSKI

STATE SENATOR • 12<sup>TH</sup> SENATE DISTRICT

## Joint Finance Committee Passes \$3.4 Billion Tax Cut

FOR IMMEDIATE RELEASE

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**Madison, WI** – On Thursday, Sen. Mary Felzkowski (R-Tomahawk) and the Joint Committee on Finance (JFC) finished their work crafting the state’s biennial budget with a \$3.4 billion tax cut – in addition to providing two-thirds funding for K-12 education, assisting local governments, and meeting the federal government’s maintenance of effort (MOE) for school funding that will draw down \$2.5 billion in ARPA funds.

“We are seeing a Wisconsin that has come through the pandemic with unprecedented revenue growth,” said Felzkowski. “We would not be where we are today without the smart decisions made over the past decade by conservative leaders in our state.”

**Families:** This \$3.4 billion tax cut will save the average Wisconsin family \$1,200 over the biennium, consisting of \$900 in income tax relief and \$300 in property tax relief.

“With this kind of growth, there are some who have no trouble thinking of new ways to spend those dollars,” Felzkowski emphasized: “At the end of the day, Republicans believe that Wisconsinites know how to spend their own money better than the government. That is why we are sending \$3.4 billion back to the people.”

**Local Governments:** When the state purchases local land, a payment called Payments in Lieu of Taxes (PILT) is paid to subsidize the property taxes that the municipality loses out on. Unfortunately, the current PILT rate for the majority of properties purchased prior to 1992 is less than .88 cents per acre. The JFC tax package includes a per acre increase in PILT to help municipalities fund necessary local services.

Felzkowski continued: “This is a huge win for municipalities that have had their property tax revenues negatively impacted through no fault of their own. If the state of Wisconsin is going to purchase land, we need to think about the cost of those purchases to local communities and their residents and work to minimize their impacts.”

**Small Businesses:** Another provision in the JFC package will eliminate the Personal Property Tax. When a business purchases an item, like a desk, they pay a sales tax on that purchase and then pay the state a personal property tax for every year after that they own it – not anymore.

Felzkowski stated: “This pandemic has been extremely tough for so many Wisconsin businesses, and now is the absolute perfect time to eliminate this archaic, unnecessary tax.”

The budget now goes to a vote by the full bodies of the Senate and Assembly.

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