

Review of taxation process must be priority

John Topp

September 14, 2005

The Taxpayer Bill of Rights was front and center during the recent debate between the two candidates for Waukesha County executive. I was encouraged by their candor and willingness to address the taxation process.

Currently, the state of Wisconsin mandates that specific programs must be paid for by local government. To afford these programs, local governments must tax residents. The state dictates the number of increases annually that the local municipalities must pay. To curb spending, some leaders have proposed holding the line on spending increases to the rate of inflation regardless of state mandates.

Here's the problem: While local governments control municipal spending, the state regulates programs that must be paid with local tax dollars, yet there is a proposed state law that local governments cannot increase taxes beyond inflation.

Here's a possible solution: Cut local services and programs.

As is so often the case, the state does not want to admit it is spending more than it can afford. In theory, the state collects taxes and redistributes the majority of these dollars back to the local levels of government based on representatives' solid judgment and community needs. However, it is clear that when the powerful want a program and cannot afford it, local taxpayers are forced to pick up the costs rather than increasing state taxes. This all resembles a shell game rather than responsible, cost-effective and smart government.

I am optimistic by Milwaukee Mayor Tom Barrett's recent announcement about a regional cooperative effort. I hope this brings both business leaders and government officials together to address the many challenges Milwaukee faces, specifically the state and local taxing policies.

A realistic assessment of state and local government's taxation policies' efficiency and effectiveness are long overdue; taxpayers do not need any more shell games. I applaud local leaders for recognizing the needs of the community over self-interest.

John Topp is executive director of the Construction Labor Management Council of Southeast Wisconsin Inc. and its Building Advantage campaign.