

# FAIR - AND - ADEQUATE

close tax loopholes

protect public structures

control property taxes

## The Institute for Wisconsin's Future newsletter on tax policy

Wisconsin citizens want strong communities, reasonable taxes and a revenue system in which all individuals, businesses and organizations pay a fair share. This monthly email newsletter covers current research, community organizing and political activity to support a **fair** tax system which **adequately** funds services for the common good.

June, 2008

## State fund to fix stressed dams has been empty for years

by Ron Seely and Jason Stein, *Lee Newspapers*



While hundreds of small dams in Wisconsin — many of them straining and failing against the tide of floodwaters last week — need repair, a state fund for dam maintenance has sat empty for years. Even after massive flooding last August, which damaged many of the dams now stressed by rising rivers, pleas for money from local authorities and the state Department of Natural Resources went unheeded. “This is public safety. There are thousands of lives and millions of dollars at stake,” warned Phil Hahn, a Vernon County conservationist and dam safety official, at a legislative hearing earlier this year.

For full story: <http://www.lacrossetribune.com/articles/2008/06/15/news/00lead.txt>

## TABOR tax policy in Colorado pushes more children into poverty

Study shows Colorado has largest rise in child poverty

by Dan Frosch, *New York Times*

Colorado experienced the nation’s largest rate of growth in impoverished children from 2000 to 2006, according to a study by the Colorado Children’s Campaign, a nonprofit group that focuses on child welfare. The most recent census data show that 180,000 children — 15.7 percent of the state total — were living in poverty in Colorado in 2006, a 73 percent increase since 2000. The state spent less per capita on its residents than its neighbors Wyoming and New Mexico. Those states experienced a decrease in child poverty during the same six years as the study. “Colorado continues to lag behind in key areas of public investment,” said Scott Downes of the Colorado Fiscal Policy Institute. Mr. Downes attributed the situation in part to a “knot of fiscal restraints” like a 1992 constitutional amendment, the Tax Payer’s Bill of Rights, that was intended to restrain state spending.



For full story: <http://www.nytimes.com/2008/06/11/us/11kids.html?ei=5070&en=34fdc6d5b23f2cb0&ex=1213848000&adxnnl=1&emc=eta1&adxnnlx=1213208706-VpLbQhgYdEYPGkwtHZ1nuQ>

## Combined reporting on the horizon in Tennessee?

### THE BUCKS STOP HERE

States that use combined reporting for corporate income



The Tennessee legislature last week passed a resolution directing the state comptroller to conduct an analysis of the revenue effects of instituting combined reporting in the state. If adopted, Tennessee would become the sixth state in five years to enact this reform. A total of 21 states currently have combined reporting requirements.

Combined reporting reduces corporate tax avoidance by requiring a corporation operating in multiple states to include all the profits of its subsidiaries in one report. Without combined reporting, companies with out-of-state subsidiaries and

sufficient resources are able to make use of creative accounting practices to artificially shift profits to low-tax states. This both reduces Tennessee's revenues and creates an uneven playing field for business.

<http://www.ctj.org/taxjusticedigest/2008/05/combined-reporting-on-the-hori.html>

## A penny for a bus to the park

The sales tax has been called 'the tax of least resistance,' and two groups of Milwaukee County supervisors are proving that true. In recent days, two separate County Board committees voted to seek a November advisory referenda on raising the county sales tax half-a-penny each. The Board's transportation committee voted to seek voter advice on raising the county portion of the sales tax from 0.5% to 1.0%. The Board's parks committee also voted to ask voters their opinion on a separate increase of another 0.5% to fund park operations. A half-penny increase in the county's sales tax would generate about \$65 million annually. Both proposals provide property tax cuts along with the transit and parks funding.



Both proposals go to the full County Board for a vote on June 26. Prospects are considered good for passage there, but County Executive Scott Walker has stated he will veto both. Supervisor Patricia Jursik launched a "yes-yes" campaign seeking support for both measures, saying both parks and transit suffer from continual underfunding. The transit tax was endorsed by the heads of Milwaukee's two largest business groups, the Metropolitan Milwaukee Association of Commerce and the Greater Milwaukee Committee.

<http://www.jsonline.com/story/index.aspx?id=762712>