



**WISCONSIN
BUDGET
PROJECT**

An Initiative of the Wisconsin Council on Children and Families

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Contact: Bob Jacobson, 284-0580, x303

**Wisconsinites Paying Less of Their Income in Taxes
Taxes as a Percentage of Income at a 15-Year Low**

Wisconsinites are paying a smaller share of their income in state and local taxes than at any other time in the last 15 years, according to a [Wisconsin Budget Project analysis](#) of new figures from the U.S. Census Bureau figures.

The share of their income that Wisconsin residents pay in various state and local taxes has dropped by 15 percent over the last 15 years. In 1994, Wisconsinites paid an average of \$13.22 in state and local taxes out of every \$100 they earned. In 2009, the most recent year for which figures are available, that figure dropped to \$11.21.

“Legislators continue to point to the need for lower taxes as a reason to roll back public investments in our communities,” said Jon Peacock, Director of the Wisconsin Budget Project. “This information from the Census Bureau calls that approach into question. Wisconsin residents are already seeing a smaller chunk of their paychecks go towards taxes than any time in recent memory, while the infrastructure and public services they rely on are being gutted by budget cuts.”

Tax cuts at the state level in 2011 and state restrictions on local property taxes have the potential to drive the share of state income devoted to taxes even lower.

Wisconsin’s ranking among the states with regard to taxes and spending has been dropping in recent years. Between 2000 and 2009, Wisconsin fell from 4th to 9th in taxes as a percent of income, and from 8th to 16th in taxes per capita. Wisconsin ranked 20th among the states in total state and local spending per person in 2009 (3.6% below the national average), and down from 13th in 2000.

“The Legislature has cut taxes by \$210 million over the next two years,” said Peacock. “These additional tax cuts, which mostly benefit big corporations and the wealthy, jeopardize the quality of the state’s public infrastructure, including our education and health care systems-- the very systems that must remain strong in order for our economy to thrive. We need a very different approach in order to preserve the health and security, both personal and economic, of Wisconsin residents.”

The Wisconsin Budget Project analysis of new Census Bureau tax and spending data is online at http://www.wisconsinbudgetproject.org/taxes_15_yr_low.pdf.

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