

RESOLUTION R-14-15

RESOLUTION OPPOSING THE ELIMINATION OF PERSONAL PROPERTY AND
COMPUTER AID TAX

Introduced by Alderman Nichols.

Whereas, Representative Bob Kulp (R-Stratford) and Senator Tom Tiffany (R-Hazelhurst) plan to introduce legislation that would eliminate both the personal property tax and the computer aid payments made to local governments; and

Whereas, the total statewide personal property tax levy in 2013 (collected in 2014) was \$290 million; and

Whereas, the State has been making computer aid payments to local governments since 2001 to offset the personal property tax exemption for computer equipment that was created that year, with the total payment for 2015 set at \$83.8 million; and

Whereas, elimination of the personal property tax on businesses will result in even more of the property tax burden shifting to residential homeowners, who, on average already pay 70% of the statewide property tax levy; and

Whereas, the impact of eliminating the personal property tax will be greatest in the cities and villages where most of the personal property tax base is located, and

Whereas, fully exempting all personal property from the property tax will likely result in a reduction in the incremental levy for many tax incremental finance districts; and

WHEREAS, in the City of Menasha, the loss of computer aid payment for exempt computers would mean \$14,881 less for the City's General Fund and \$335,059 less for the City's TIDs, for a total decrease in state aid payments of \$349,940; and

WHEREAS, in the City of Menasha, the shift to residential homeowners would be \$753,695 of tax levy for current personal property taxes; and

WHEREAS, the resulting tax rate increase from the elimination of Personal Property and Computer Aid Tax will be \$1.1293 per \$1,000 valuation, or \$141.16 on a \$125,000 home.

NOW THEREFORE BE IT RESOLVED, that the City of Menasha opposes any attempt by the State Legislature to eliminate the personal property tax and the computer aid payments local governments receive for tax-exempt computer and related equipment; and at a minimum, the loss in local tax base and resulting tax shift must be addressed before moving forward with the legislation.

BE IT FURTHER RESOLVED that the City Clerk be instructed to send a copy of this resolution be sent to Governor Walker, Senator Roth, Senator Tiffany, Representative Stuck and Representative Kulp.

Passed and approved this day of , 2015.

Donald Merkes, Mayor

Attest:

Deborah A. Galeazzi, Clerk