

The resolution calls for a referendum on a .25% sales tax increase in Milwaukee County. The vote would be held on the ballot in September and not on the ballot in November when a larger number of voters from all across the county will be out to vote.

For the following reasons, I will veto the resolution:

First, a .25% sales tax will give Milwaukee County the highest sales tax in the state – thus creating a “tax island”. The tax on a meal will be 6.85%. That means business – and jobs will go outside the county.

Second, the state government still has to approve an increase in the sales tax. Last I checked both candidates for Governor and the leaders of the State Legislature were opposed to new taxes. In other words, residents could be dragged through this entire debate only to find out that the state says no.

Third, it hasn't worked before. In 1991, the county enacted a .5% sales tax increase for “property tax relief.” From 1992 to 2002, the property tax levy went up 52%.

Fourth, it is not that we don't have enough money; it is that the county does not spend it well. Our parks system costs \$37 million. At the same time pensions will cost the county \$59 million and free health care for life and other retirement benefits will cost \$29 million in 2007.

The county fringe benefit rate exceeds 70%. It eats up the county budget like a virus. On top of that, state mandates in the courts and human services have taken tax levy from the parks for the past two decades. The best way to preserve our parks is get control over fringe benefits and to fight to reduce unfunded state mandates.

If the members of the county board vote to override this veto and put a referendum question on the ballot for a \$30 million tax increase it should be called the “pension tax” as the cost of the pension alone will eat up more than twice as much as collected in the new tax. Pensions – and not parks – will benefit from such a tax increase.