

WSJ Editorial: August 2003

Letter word count 216

HOMESTEAD SOLUTION TARGETS SEASONAL RESIDENTS.

Downstate legislators need to come out of the city every once and a while and breathe some county air to help them see what's going on in the rest of the state. Rep. Spencer Black (D-Madison) and Sen. Bob Wirch (D-Kenosha) recently introduced a new form of homestead exemption (requiring a constitutional change) in an effort to "fix" the property tax problem. Yet another example of shifting the blame rather than solving the problem.

According to Black and Wirch, "millions of dollars in property tax relief goes to commercial real estate and out-of state-property owners." They need to be reminded that the state's north woods seasonal residents are property owners paying the same property taxes as their full-time resident neighbors --well in excess of \$500 million --and they don't put a year-round burden on schools or local services.

Shifting any of the tax burden from full-time to part-time residents is a cheap way to patch our property tax problems rather than finding a real solution. This measure would reflect poorly on our reputation as a fair-minded and equitable citizenry. These legislators should be embarrassed to even think that the "fundamental unfairness" of our property tax system has anything to do with good-willed seasonal taxpayers who continue to add billions to our economy every year.

Nick Kaufmann, Executive Director
WISRA
Wisconsin Seasonal Residents Association
Madison

(Optional guest editorial)

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With the strong recreational land boom in northern counties,, land prices and annual re-assessments are spiraling upwards. This is already shifting an unfair portion of the tax burden from year-round residents to seasonal residents. This should be considered a blessing to many northern counties struggling with a shortage of industry, high unemployment and related economic woes. We cannot fathom why Spencer Black would think that the property taxes paid by seasonal residents represent "a handout for out-of-state property owners." There are no property tax handouts for seasonal residents; they don't even share in the meager lottery credit.

Where would some of our northern counties be without both the property tax contributions and discretionary spending habits (including building and construction) of our seasonal residents? While Black and Wirch think their legislation represents a “real and permanent solution to the impact of high property taxes,” we believe it could well signal a serious downturn in real estate values and construction projects as a new breed of recreational property owners seek out more affordable alternatives to Wisconsin living. Our tax policies are pushing out residents, retirees, and industry up north, but the way to stop these trends is to look at the causes, not shift more of the burden to people who are denied any voice in how their taxes are spent.

Shifting any of the tax burden from full-time to part-time residents is a cheap way to patch our property tax problems rather than finding a real solution and reflects poorly on our reputation as fair-minded people. These legislators should be embarrassed to think that the “fundamental unfairness” of our property tax system has anything to do with seasonal taxpayers who add billions to our economy every year. It’s time for these two to take a trip up north.

*Nick Kaufmann, Executive Director
WISRA
Wisconsin Seasonal Residents Association
Madison*

Full address & Phone:

WISRA (Formerly OSLO)
P.O. Box 46108
Madison, Wisconsin 53744-6108
800-880-9944