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## Walker's Promises More Than Double State Deficit

*\$2.7 Billion Deficit Makes Nearly All Tax Talk Impossible Without Drastic Cuts to Education, Health Care, Police and Fire Protection*

Madison – Milwaukee County Executive Scott Walker has promised an impossible \$3.8 billion in tax breaks, loopholes and shifts he has no way to pay for, a new analysis by One Wisconsin Now shows. Coupled with the state's conservative predictions of a \$2.7 billion projected deficit, Walker would need to slash almost \$6.5 billion from education, health care, police and fire protection to give tax breaks and loopholes to the wealthy and big business.

"Scott Walker has promised nearly \$4 billion in tax breaks and loopholes with nearly a \$3 billion deficit," said Scot Ross, One Wisconsin Now. "Scott Walker's giveaways to the rich and big business are impossible without massive cuts to education, health care, police and fire fighters. Walker already says he would cut 400,000 children and working families from BadgerCare and apparently, he's just getting started."

One Wisconsin Now analyzed statements made throughout Walker's campaign and compared those to existing reports at the state's non-partisan Legislative Fiscal Bureau. The total for the eight quantifiable tax plans Walker has offered total \$3.76 billion over the biennium. The One Wisconsin Now total does not include a number of additional tax breaks and loopholes Walker has added, for which no available data on their size exists.

The total biennial tab for Walker's promises, made throughout the campaign, include:

- **\$287 million** – Cut income taxes for the top one percent – people earning more than \$225,000 ["UpFront", WISN-TV, 11/8/09; *La Crosse Tribune*, 11/24/09; "Here and Now," Wisconsin Public Television, 9/17/10; Legislative Fiscal Bureau, 07/08/09]
- **\$187 million** – Reopen the "Las Vegas Loophole" which allows multi-state businesses to shelter their tax obligations from Wisconsin by opening phantom "offices" in state without ["UpFront", WISN-TV, 11/8/09; *La Crosse Tribune*, 11/24/09; "Here and Now," Wisconsin Public Television, 9/17/10; Legislative Fiscal Bureau, 02/23/09]
- **\$920 million** – Shelter the assets of the wealthiest Wisconsinites even more by a radical end to tax on retirement income, regardless of income. [*La Crosse Tribune*, 11/24/09; Legislative Fiscal Bureau, 01/25/10]
- **\$243 million** – Repeal changes made to the capital gains tax deduction, despite that 70 percent of capital gains filings are from those making more than \$200,000 a year [*La Crosse Tribune*, 11/24/09; "Here and Now," Wisconsin Public Television, 9/17/10; Legislative Fiscal Bureau, 07/08/09]
- **\$1.032 billion** – Transfer \$1.032 billion from the general fund to the transportation fund, creating a \$1.032 deficit in the general fund [*Wisconsin State Journal*, 6/20/10; *Milwaukee Journal Sentinel*, 09/12/10]

- **\$892 million** - Phase out hospital assessment [*Milwaukee Journal Sentinel*, 09/12/10; Walker Press Release, 6/23/08, 5/21/09; Legislative Fiscal Bureau, 2/23/09, 7/8/09]
- **\$159 million** – End the estate tax, which only affects heirs and heiresses of the state's largest fortunes. [*Milwaukee Journal Sentinel*, 11/02/09; Legislative Fiscal Bureau, 1/09]
- **\$35 million** - Eliminate tax on private Health Savings Accounts, which are used primarily by those wealthy enough to save money in advance for future health problems. [*Milwaukee Journal Sentinel*, 09/20/2010; Legislative Fiscal Bureau, AB74]

**TOTAL COST: \$3.8 billion.**

In addition to the costs One Wisconsin Now was able to calculate, Walker has offered additional tax plans, which would increase the deficit by untold hundreds of millions, or even billions of dollars. Walker has failed to provide either a dollar figure of the cost of these plans, or a means of paying for them. They include:

- Cut Manufacturing taxes [*Milwaukee Journal Sentinel*, 11/2/09]
- Eliminate corporate tax for first two years of operations ["Here and Now," Wisconsin Public Television, 9/17/10]
- Reduce small business taxes by 20 percent [*Milwaukee Journal Sentinel*, 9/20/10]

"Scott Walker is willing to say anything and promise anything," said Ross. "I dare Scott Walker to show us how he's going to cut \$7 billion from the budget."

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*One Wisconsin Now is a statewide communications network specializing in effective earned media and online organizing to advance progressive leadership and values.*