



JOEL KITCHENS

STATE REPRESENTATIVE • 1ST ASSEMBLY DISTRICT

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Rep. Kitchens to prioritize reinvigorating economy

MADISON, Wis. – Following yesterday’s release of the most recent revenue estimates, Rep. Joel Kitchens (R-Sturgeon Bay) acknowledges that the state Legislature will have its hands full trying to balance next year’s budget.

The nonpartisan Legislative Fiscal Bureau is reporting that, due to the COVID-19 pandemic and its impact on employment and the economy, preliminary tax collections for May were down \$66 million from the same month last year. That is on top of the \$870 million reduction in April, putting the total for the past two months at \$936 million.

According to the LFB, the decline in revenue can be primarily attributed to lower collections of state sales and use taxes. Extending the deadlines for filing income and franchise taxes has also affected revenue numbers. However, the LFB will not know the full extent until after income taxes are filed in July.

“It should not come as a surprise to anyone that the coronavirus pandemic and our state’s Safer at Home order have had a tremendous impact on our economy,” Rep. Kitchens said. “Because most Wisconsinites are now allowed to go back to work and businesses are reopening, we are optimistic that our tax collections will improve in the coming months.”

Rep. Kitchens says he is committed to working with his colleagues on both sides of the aisle to address the anticipated budget shortfall by getting Wisconsin’s economy back on track.

“Because people all across our state are struggling financially through no fault of their own, raising taxes will not be an acceptable solution for me,” Rep. Kitchens said. “I strongly believe that we still have the pieces in place to restore our economy to pre-pandemic levels. We have successfully weathered economic storms before and I know we can do it again.”

Rep. Kitchens also recognizes that the Legislature may have to tap into the state’s “rainy day fund” to shore up any budget shortfalls. According to the LFB, that account will have a balance of \$656 million at the end of the 2019-20 fiscal year.

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