

Milwaukee County 1% Sales Tax Solution

Estimated Impact on Taxpayers

The chart below estimates the impact on taxpayers at various household income levels who own homes of various values resulting from a 1% Milwaukee County sales tax increase coupled with a corresponding \$54.6 million reduction in the Milwaukee County tax levy.

The “Net Impact” is the difference between the increase in sales taxes paid and the savings on property taxes paid resulting in a \$54.6 million reduction in the County’s tax levy. The “% of Income” column is the percentage of Household Income that the Net Impact represents.

Milwaukee County 1% Sales Tax Proposal: Estimated Taxpayer Impact

Household Income	Home Value	Additional Sales Tax	Property Tax Savings	Net Impact	Household Income %
\$25,000	\$50,000	\$110	(\$51)	\$59	0.24%
\$35,467 (a)	\$70,934	\$156	(\$72)	\$84	0.24%
\$40,000	\$75,000	\$152	(\$76)	\$76	0.19%
\$43,193 (b)	\$86,386	\$164	(\$87)	\$77	0.18%
\$60,000	\$100,000	\$228	(\$101)	\$127	0.21%
\$63,700	\$127,400 (c)	\$242	(\$128)	\$114	0.18%
\$80,000	\$150,000	\$272	(\$151)	\$121	0.15%
\$79,200	\$158,400 (d)	\$269	(\$159)	\$110	0.14%
\$100,000	\$200,000	\$260	(\$201)	\$59	0.06%
\$150,000	\$300,000	\$390	(\$301)	\$89	0.06%
\$250,000	\$500,000	\$450	(\$501)	(\$51)	-0.02%

(a) City of Milwaukee Median Household Income

(b) Milwaukee County Median Household Income

(c) City of Milwaukee Median Home Value

(d) Milwaukee County Median Home Value

The Institute on Taxation & Economic Policy’s January, 2015, report “Who Pays” was consulted to estimate the amount of Wisconsin household income spent on purchases subject to sales tax.

Reductions in Milwaukee County property taxes paid were based on a \$54.6 reduction in the County’s projected 2015 tax levy of \$283 million.