

City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Legislation Text

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000120 ORIGINAL

ALD. D'AMATO, PAWLINSKI, GORDON, JOHNSON-ODOM, RICHARDS AND MURPHY

Resolution requesting that the Wisconsin Governor call into special session the Wisconsin State Legislature to provide an exemption to Midwest Express Airlines from Wisconsin's ad valorem tax.

- Analysis -

This resolution requests that the Wisconsin Governor call into special session the Wisconsin State Legislature to provide an exemption to Midwest Express Airlines from Wisconsin's ad valorem tax. This resolution also requires that certified copies of the adopted resolution be sent to the appropriate state officials.

Whereas, Midwest Express Airlines is a model corporate citizen which was named by Travel and Leisure as the "Best Domestic Airline" for the second year in a row; and

Whereas, Midwest Express Airlines employs nearly 2,800 people, 80% of whom live in the Milwaukee area; and

Whereas, Midwest Express Airlines generates more than 4,000 airport jobs throughout the State of Wisconsin; and

Whereas, Midwest Express Airlines requested an exemption from the State of Wisconsin's ad valorem tax on airline property; and

Whereas, This exemption is necessary to help Midwest Express compete with other airlines financially and ensure that the airline expand in Wisconsin; and

Whereas, Midwest Express Airlines is considering expanding its operations by doubling the number of planes in its fleet, while adding about 1,200 more employes in the next 6 years; and

Whereas, Wisconsin property taxes on the airline and its proposed expansion between 1999 and 2005 will amount to \$22.5 million; and

Whereas, If the airline were to propose the same expansion in other states, its costs would be \$9.5 million in Minnesota, \$7 million in Missouri, \$6.2 million in Iowa, \$5.8 million in Michigan and \$4.5 million in Illinois; and

Whereas, This tax exemption was removed from the current state budget during closed-door negotiations last fall, would have saved the airline approximately \$2.1 million in property taxes in the 1999-2001 biennium; and

Whereas, The Midwest Express chairman said in an interview on April 26, 2000, that Midwest Express will expand elsewhere if Wisconsin does not enact this change; and

Whereas, The Milwaukee area and State of Wisconsin cannot afford to drive out successful companies which support Milwaukee area businesses and tourism industries; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it respectfully requests Governor Tommy G. Thompson to call into special session the Wisconsin State Legislature to pass an exemption from Wisconsin's ad valorem tax for Midwest Express Airlines; and, be it

Further Resolved, That certified copies of this resolution shall be forwarded to the Governor of the State of Wisconsin, the Wisconsin State Senate Majority and Minority Leaders, the Wisconsin State Assembly Speaker and the Wisconsin State Assembly Minority Leader.

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