

LeMahieu Proposes Flat Tax System; Democrats Don't Want to Sacrifice State Revenue

(add key points)

Devin LeMahieu, Senate Majority Leader, revealed his flat tax proposal to transition Wisconsin to a different income tax system gradually. The Top Senate Republican ultimately hopes to tap into the state's \$6 billion surplus to help fund the plan, arguing that Wisconsin could become [more competitive among neighboring states](#).

The current tax system in Wisconsin separates taxpayers into four different brackets, and the rate of taxation rises along with income levels. Individual income taxes range from 3.54% to 7.65% at the moment. Under Senate Majority Leader LeMahieu's plan, the rate for all income levels would be 3.25%. This number is better than the lowest income tax rate currently, which sits at 3.54%.

LeMahieu stated, "This proposal will fundamentally transform Wisconsin's individual income tax and keep more money in the pockets of hardworking Wisconsinites." However, Governor Evers has already expressed his disapproval of the flat tax idea. He would more than likely veto a flat tax bill if it passes the GOP-led Legislature.

"When we deliver tax relief, it should target the middle class to give working families a little breathing room, not to give big breaks to millionaires and billionaires who don't need the extra help to afford rising costs. That's just common sense," Evers [tweeted](#) about the plan.

However, those who pay more in taxes probably deserve some relief as well; that's common sense. You can't focus on one bracket. A flat tax of 3.25% can

provide much-needed relief to middle-class families and touch every other resident in the badger state.

Under LeMahieu's plan, income tax rates would incrementally decrease over four years until the 3.25% flat tax rate for each bracket would be implemented in 2026. It would cost Wisconsin approximately \$4.958 billion in the first two years, \$4.314 billion in the third year, and \$5.059 in 2026 and each year afterward.

Wisconsin's highest earners (who typically pay the most in taxes) would see the most savings, as they would see their 7.65% rate cut in half. The plan would also reduce income tax rates for the lowest brackets, but the change would not be as significant for the lowest bracket.

Republicans have been unwavering in their efforts to lower taxes in Wisconsin, though this could be the most significant change yet. Despite recent tax cuts, LaMehieu believes Wisconsin's budget surplus is a clear indicator of over-taxation and that the state is still behind regarding competing with other states. Four midwestern states, including Illinois, Indiana, Michigan, and Iowa, have implemented a flat tax system.

LaMehieu stated, "With remote work capabilities empowering families and small businesses to relocate with ease like never before, it is critically important Wisconsin have an individual income tax rate that is competitive with our neighbors."

Judging by the proposed plan, only 11 other states would have a top individual income tax rate lower than Wisconsin at the 3.25% rate. Assembly Majority Leader Robin Vos has also signaled that he supports a flat tax bill, agreeing during an [interview on WPR](#) that a flat tax system would help make Wisconsin more competitive.

Mike Nichols, president of Badger Institute, also [commends the flat tax proposal](#). He stated that it could benefit many people, including small business owners and anyone who wants to keep more of their income.

Nichols mentioned that we are “nowhere close to competitive.” He adds, “Fourteen states have or are shifting to a flat tax, including Iowa, Indiana, Illinois, and Michigan. Others have no individual income tax at all. Our neighbors will be thrilled if we remain complacent. They’ll gladly steal our companies, jobs, and tax revenue.”

The flat tax plan can work if the state can maintain a tight rein on spending, ensuring they can afford to pay for permanent ongoing changes in taxing or spending. Careful spending is a red flag for Democrats.

Jason Stein, research director of the Wisconsin Policy Forum, commented, “Part of the challenge here is that this proposal would be phased in over four years. It’s very challenging to say what will happen with the state’s economy, its state budget, its tax collections, and its spending needs.”

Beyond the first two years, Stein says it would be difficult to know how the state would continue funding the flat tax.

Why Are Democrats Opposed to the Flat Tax System?

Democrats have criticized the flat tax proposal, including Governor Evers, for additionally benefitting the highest earners in WI. Assembly Minority Leader Greta Neubauer opposed the flat tax in a tweet, “The GOP’s flat tax proposal makes it clear that they care more about a massive tax cut for the wealthiest than real relief for working families and the long-term wellbeing of our state.”

Governor Evers fought to *raise taxes* for Wisconsin families by over [\\$1.3 billion](#), even though he told Wisconsin he wouldn’t raise taxes. He even went as far as saying the billion-dollar increase would be “small.” Republicans delivered one of the most significant tax cuts in WI history, [\\$3.4 billion](#), which Evers decided to take credit for shamelessly.

Senate Minority Leader Melissa Agard also harshly criticized the flat tax plan and suggested the money be used on public schools and health care. She

forgot to mention their focus on the middle class, the entire argument of why the flat tax isn't ideal.

She claimed Wisconsinites rejected a flat tax when they chose to re-elect Evers since his opponent Tim Michels favored the idea.

Agard continued, "This policy would create a \$5 billion dollar shortfall in revenues for our state. So for those keeping score, that's more money for millionaires and less for our public schools, roads, and health care. Senate Democrats will resoundingly reject this flat tax scheme."

Ironically enough, Agard doesn't mention one thing about the middle class or the hardworking families that need relief in Wisconsin.

She instead mentions public schools which Evers has already provided billions of dollars for, and yet these schools are still [struggling](#) and seeing [dropping rates in math and reading](#) proficiency. According to the Dept. of Public Instruction, results revealed that fewer than half of WI students were deemed proficient in 2022, a drop of 10% compared to 2019.

She also mentions roads, a central focal point of Evers campaign. Yet, Evers used his veto pen to cut \$15 million from the \$90 million local road program approved by the Legislature.

Robin Vos called Evers out for his change in direction, "Governor Evers is shortchanging our local roads. Legislative Republicans created this \$90 million program for local road repairs; the Governor cut it by \$15 million and opened up the program to all types of projects. It's disappointing that 100% of the money is not going to local roads as intended. Instead, millions of dollars are being diverted to bike paths and buses with fewer dollars available to help crumbling roads."

Democrats and Health Care

Agard also mentions health care, of course. Another significant element in the Governor's campaign was reproductive rights.

Governor Evers gave *a quarter* of the state's COVID relief fund to Planned Parenthood, aka "funding healthcare." In addition, planned Parenthood has been a trusted source of campaign support for Evers and his fellow WI Democrats. In 2018 and 2019, Planned Parenthood Advocates spent [over \\$700,000](#) helping Evers, Barnes, and Kaul.

Evers has vetoed multiple bills that Planned Parenthood opposes, and he shovels millions of dollars in funding toward them. The organization, in turn, shells out hundreds or thousands of dollars to help keep Democrats in office when election time rolls around.

Melissa Agard may have let the truth slip with her tweet. Instead of maintaining the argument that Democrats want the middle class to be the main focus of tax relief, she instead let the entire agenda fall out into the open. The flat tax won't work because it takes money away from the Evers administration. It will mean less money for public schools, roads, and health care.

"Health care" is quite the umbrella term. Just for example, the Evers administration proposed an emergency rule requiring taxpayer-funded sex changes under Medicaid, labeling it an "emergency" to avoid legislative oversight and a public hearing.

The Wisconsin Dept. of Health Services was on a mission to repeal a long-standing rule that [excluded Medicaid from covering](#) "[d]rugs, including hormone therapy, associated with transsexual surgery or medically unnecessary alteration of sexual anatomy or characteristics."

State Rep. Joe Sanfelippo commented about the questionable emergency, "The fact that they're calling this an emergency rule change could give them

some leeway to skirt the entire process and just make a change without going through the public hearing.” He also said taxpayers should not have to pay for these procedures.

Democrats disagreed, and a Federal Court also disagreed. So apparently, taxpayers should be held responsible for someone who wants to change their gender via hormones or surgery.

In August, U.S. District Court Judge [William Conley sided with plaintiffs](#) in a lawsuit alleging Wisconsin’s exclusions are *discriminatory* and that the argument that sex reassignment and hormonal treatments are unnecessary “is no longer reasonable.”

While [forcing Wisconsin taxpayers to pay](#) for gender reassignment surgeries or hormonal therapy is appalling enough, Evers and his administration have also supported “gender-neutral language options” for parents on [Wisconsin birth certificates](#). Evers also said that the use of Medicaid, which is taxpayer-funded, should not be restricted by any procedure, which would include abortions.

The Governor said in an interview with the Weekly Standard, “We need to have Medicaid money be available for all people, and restricting it because of a certain procedure, whether it’s a tonsillectomy or any other procedure, seems to me a foolhardy thing to do.”

Democrats and Public Schools

Evers' bloated Dept. of Public Instruction has released “[gender expansive resources for preschoolers](#),” and now they are asking for more money for public schools. Drag shows are already popping up in various Wisconsin schools, like the “talent show” at Middleton High School, where one of their male teachers dressed up in a revealing, high-cut sequin dress, bright red boots, and a wig to [act out a drag performance for the students](#).

Another drag show was recently postponed at Madison East High School due to outraged parents and community members. Former Governor Scott Walker tweeted, “Let’s be clear: ‘drag shows’ are strip shows. They are wrong. They are particularly wrong at school. They are definitely not ‘family-friendly.’” [Madison’s school board president is defending](#) the now-canceled school drag show.

We also know that Evers [opposes school choice](#) and would rather keep Wisconsin children in public schools right where the Government wants them instead of offering families to option to pick the best school for their children's needs.

Tony Evers also vetoed a [parental bill of rights](#) that would have given parents more power, i.e., reviewing all educational material, opting out of lessons they deem inappropriate or unnecessary, and deciding what pronouns their children should use at school. Evers also vetoed a bill that would have banned Wisconsin schools from teaching the divisive [critical race theory](#).

All in all, Evers has consistently expressed his support for extremely radical and leftist ideas, which is quite apparent in the public education system and the bills he vetoes. The DPI wants more taxpayer money, even though achievement statistics are subpar and have been gradually falling despite Evers’ consistent and hefty funding over the years.

Math and language arts tests for grades 3-8 revealed that less than half of Wisconsin students were proficient in 2022, reflecting a 10% drop compared to the number of students in 2019.

The Bottom Line

While the recurring argument is “middle-class deserves the most relief,” Wisconsin Democrats aren’t necessarily practicing what they preach. They aren’t giving Wisconsinites an idea of how they plan to tackle this issue or how they plan to offer that help to middle-class residents.

Agard made it crystal clear that losing state revenue by implementing a flat tax for all Wisconsin residents won't work for the *bureaucrats*.

They want money for public schools and questionable curricula and ideas being taught within them; they wanted money for fixing local roads but then slashed the budget and added other frivolous projects that would soak up the funding. They want more money for "funding healthcare" to ensure organizations like Planned Parenthood remain allies and donors.

The idea of tight spending and making sacrifices on behalf of Wisconsinites doesn't bode well with individuals like Agard and Evers.