

**VILLAGE OF SPENCER
Resolution No. 2015 – 02**

A Resolution Opposing Elimination of Personal Property Taxes

Whereas, Representative Bob Kulp (R-Stratford) and Senator Tom Tiffany (R-Hazelhurst) plan to introduce legislation that would eliminate both the personal property tax and the computer aid payments made to local governments; and

Whereas, the total statewide personal property tax levy in 2013 (collected in 2014) was \$290 million; and

Whereas, the State has been making computer aid payments to local governments since 2001 to offset the personal property tax exemption for computer equipment that was created that year, with the total payment for 2015 set at \$83.8 million; and

Whereas, elimination of the personal property tax on businesses will result in even more of the property tax burden shifting to residential homeowners, who, on average already pay 70% of the statewide property tax levy; and

Whereas, the impact of eliminating the personal property tax will be greatest in the cities and villages where most of the personal property tax base is located, and

Whereas, fully exempting all personal property from the property tax will likely result in a reduction in the incremental levy for many tax incremental finance districts;

WHEREAS, in the Village of Spencer, the elimination of personal property tax will result in the loss of \$6,168,100 in the Village's property tax base, representing 6.6% of the Village's total taxable property tax base; and

WHEREAS, in the Village of Spencer, the property tax shift to real estate tax payers would be \$148,958 of tax levy for the 2014 tax year and the resulting equalized tax increase would have been a net increase of \$169.47 on a property bill on a \$100,000 property for the 2014 tax year.

NOW THEREFORE BE IT RESOLVED, that the Village of Spencer opposes any attempt by the State Legislature to eliminate the personal property tax and the computer aid payments local governments receive for tax-exempt computer and related equipment; and at a minimum, the loss in local tax base and resulting tax shift must be addressed before moving forward with the legislation.

Passed and adopted this _____ day of _____, 2015.

Village President

Attest:

Village Clerk