

GOVERNOR'S VETO MESSAGE

March 29, 2024

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1089** in its entirety.

This bill would modify certain interest rates that the Department of Revenue (DOR) applies to unpaid taxes and fees that are not yet delinquent and to overpayments of amounts to be refunded. These modifications include reducing the current law rate of 12 percent per year applicable to certain late, nondelinquent taxes and fees owed to DOR to six percent per year and increasing the interest rate on certain overpayments of taxes and fees refunded by DOR from three percent per year to six percent per year. The bill would further modify the interest rate reduction on delinquent taxes that may be available in cases where the Secretary of Revenue determines that the reduction is fair and equitable, from the current law reduced rate of 12 percent per year to six percent per year. The bill would reduce general fund revenues by \$41.5 million in fiscal year 2024- 25 and \$80.5 million in fiscal year 2025-26.

I am vetoing this bill because I object to its substantial costs at a time when the Wisconsin State Legislature has refused to make meaningful, sustainable investments to reduce out-of-pocket child care costs for working families, ensure child care providers can continue to operate, expand paid leave, improve high-speed internet statewide, and prevent higher education campus closures and layoffs, among other key areas of public investment.

Moreover, this bill, combined with others, could result in the state having to repay billions of dollars it received under the American Rescue Plan Act of 2021, completely reversing even under the best projected economic circumstances the progress we have made toward improving our state's fiscal condition.

Respectfully submitted,
TONY EVERS
Governor