



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

January 4, 2024 Assembly Committee on Ways and Means Testimony on Assembly Bill 807

Good morning,

Thank you Chair Macco and committee members for hearing Assembly Bill (AB) 807. AB 807 creates a sales tax exemption for admission to the Wisconsin State Fair.

Representative Rodriguez and I both serve on the State Fair Park Board, where this issue was brought to our attention.

The State Fair currently collects sales tax on all admissions. Following the enactment of the shared revenue package, both the City of Milwaukee and Milwaukee County gained the ability to increase their sales tax rates. The State Fair is in a unique position because all but one of their admission gates are located in the City of West Allis in Milwaukee County. One gate is in the City of Milwaukee. This means most of their gates would be taxed at 5.9%, paying sales tax to the State of Wisconsin and Milwaukee County. However one gate would be taxed at 7.9% because of the 2% City of Milwaukee sales tax.

This has led to confusion over whether State Fair attendees will pay different rates depending on which entrance they use. This bill would take those questions off the table by exempting all tickets from state and local sales tax.

All across Wisconsin we go to local county fairs in our communities and districts. When we go to those local events, there is no sales tax on admission. However, admission to the Wisconsin State Fair is taxed. This bill would bring the Wisconsin State Fair in line with the more than 75 county and district fairs across the state.

The Wisconsin State Fair has celebrated the best of Wisconsin since 1851. It serves as a way for Wisconsin to exhibit our agricultural prowess while providing Wisconsinites an affordable, family friendly event each summer.

Thank you again for hearing AB 807 and your timely action on the bill.

City of Milwaukee | City of West Allis





JESSIE RODRIGUEZ

STATE REPRESENTATIVE ★ 21ST ASSEMBLY DISTRICT

AB 807: Providing a Sales Tax Exemption for Tickets to the State Fair
Testimony of State Representative Jessie Rodriguez
Assembly Committee on Ways and Means
January 4, 2024

Thank you Chairman Macco, Ranking Member Conley, and members of the Assembly Committee on Ways and Means for the opportunity to testify on Assembly Bill 807 (AB 807), legislation that will provide a sales tax exemption for sales of admissions to the Wisconsin State Fair at State Fair Park.

AB 807 will exempt tickets to the Wisconsin State Fair from state and local sales tax. This proposal was brought to me following the passage of the shared revenue deal, which allowed Milwaukee County and the City of Milwaukee to increase their local sales tax rates. This policy change has created some confusion for the administrators of State Fair Park, because the State Fair Grounds are located in both the cities of Milwaukee and West Allis. Effective this year, the City of Milwaukee will have a higher sales tax rate than the City of West Allis. This has raised concerns over whether State Fair attendees will be paying different rates depending on which entrance to the Fair Grounds they use. AB 807 will resolve these concerns by exempting tickets to the Wisconsin State Fair from state and local sales tax.

We already provide a sales tax exemption for admission to our county fairs. AB 807 will extend the same treatment to the State Fair. This bill was drafted collaboratively with the Wisconsin State Fair Park Board and Chairman John Yingling, who you will hear from today.

I encourage your support for this legislation. Thank you for your time. I welcome any questions you may have.

Testimony – 1.4.24

I would like to add a few more points.

1. As Chairman Yingling mentioned we have been investing in the park and when we do so, it allows us to bring more events to the park year-round, which equates to more revenue for the Fair Park and economic impact, including tax revenue, to the area.
2. We have a hidden gem at Wisconsin State Fair Park. In fact, it has been so hidden that it had not hosted a major race in almost a decade. That gem is the historic Milwaukee Mile Racetrack. The track is a one mile oval and is the oldest racetrack in the country.
3. We have worked closely with DOA to complete Phase 1 of the Milwaukee Mile safety enhancements and hosted a NASCAR Truck Series this past August. We also worked with UW-Whitewater to conduct an Economic Impact Study during that race and found that the impact for this one race event was \$5.4M. We have since booked an IndyCar race that will consist of two race days and will occur over Labor Day weekend for the next three years. Tickets have been selling extremely well and we expect an even larger economic impact for each of these races.
4. Another point to consider is our agriculture exhibits in Ag Village. Showcasing and teaching about agriculture is an important part of our mission at State Fair Park, however, it DOES NOT generate revenue. We must keep costs down for our youth exhibitors so they can afford to bring their animals and other projects to Wisconsin State Fair.
5. As a former exhibitor who showed animals at the Wisconsin State Fair and the Waukesha County Fair as well a Show Mom to my children, I can attest to the benefits our youth receive from exhibiting as well as the high costs they must endure to purchase, feed and groom their animals.
6. The costs of hosting the youth are always increasing. From premiums to manure removal and everything in between, agriculture is a large portion of our operating budget. We recently received accolades from the DNR for our handling of animal waste and not allowing it to infiltrate our sewers, but there is also a large cost to this. Garbage and manure removal is one of our largest expenses during the fair.
7. We must generate revenue to help support our youth programs and continue to improve the overall Fair experience, which includes the projects Chairman Yingling referenced. After serving as Executive Director at the Waukesha County Fair for 15 years as well as having worked at the Wisconsin State Fair for the past 8 years I know that all fairs, no matter the size, share the same challenges, they are just on a different scale. And as you

can imagine, that scale is extremely large at Wisconsin State Fair. We need to retain as much of our gate revenue as possible, which is why we are asking for your support. Thank you.