

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: October 16, 2020

Re: DOR Report to JFC

Attached is a report on the Consumer Price Index from the Department of Revenue, pursuant to s. 79.05(2m), Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN:jm



State of Wisconsin • DEPARTMENT OF REVENUE

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Tony Evers
Governor

Peter W. Barca
Secretary of Revenue

October 16, 2020

The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance
State Capitol, Room 317 East
P. O. Box 7882
Madison, WI 53707-7882

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St. Finance

The Honorable John Nygren, Co-Chair
Joint Committee on Finance
State Capitol, Room 309 East
P. O. Box 8953
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

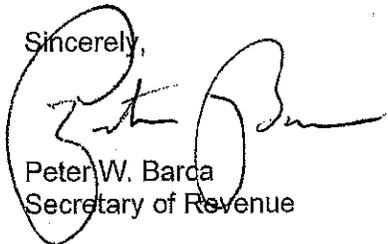
Under sec. 79.05 (2m), Wis. Stats., on November 1 of every year, the Department of Revenue is required to certify to the Joint Committee on Finance the percentage change in the Consumer Price Index for all urban consumers (CPI-U) to be used in determining the inflation factor under the expenditure restraint program.

Under sec. 79.05(1)(am), Wis. Stats., the inflation factor for the expenditure restraint program equals the average annual percentage change in the CPI-U, U.S. city average, for the 12 months ending on September 30. The CPI-U percentage change is 1.43 percent. Under Wis. Stats. 79.05(2)(c) and Wis. Admin. Code § Tax 19.03(k), the amount is round to the nearest 0.10 percent.

The department certifies that this CPI-U percentage change is 1.40 percent. This certification pertains to municipal budgets for 2021, which will determine eligibility for payments under the expenditure restraint program in 2022.

Calculation of the CPI-U for the 12 months ending September 30, 2020, is shown in the attached table. If you have any questions about our calculation, please contact me.

Sincerely,



Peter W. Barca
Secretary of Revenue

Consumer Price Index for All Urban Consumers (CPI-U)		
U.S. City Average, All Items, Not Seasonally Adjusted		
1982-84=100		
Source: Bureau of Labor Statistics, U.S. Department of Labor		
Month	2018-19	2019-20
October	252.885	257.346
November	252.038	257.208
December	251.233	256.974
January	251.712	257.971
February	252.776	258.678
March	254.202	258.115
April	255.548	256.389
May	256.092	256.394
June	256.143	257.797
July	256.571	259.101
August	256.558	259.918
September	256.759	260.280
Total	3052.517	3096.171
Average	254.376	258.014
% Change		1.40%