

Ronald Reagan Got It Right, Scott Walker Got It Wrong

Written by Democratic Party of Wisconsin, Melissa Baldauff
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MADISON - If you've been paying attention to Scott Walker's statements during his first term, you might think he fancied himself the second coming of our late fortieth President. Walker frequently invokes President Reagan's legacy when discussing his own first term record. The absurdity of Walker's delusions of grandeur become apparent when you realize that unlike Gov. Walker, President Reagan made some tax policy decisions to support working class families.

In the Tax Reform Act of 1986, President Ronald Reagan expanded the Earned Income Tax Credit (EITC) - a tax credit that helps families who work, but take home less than roughly \$46,000 a year. Reagan understood the value in the Earned Income Tax Credit, as it encourages work and allows wage earners at the bottom of the economic spectrum an opportunity to lift themselves up and escape a life of poverty.

Supporting, and expanding, the EITC was a no-brainer for Scott Walker's political idol, but the governor took a completely opposite approach after taking office in 2011.

Although the Wisconsin Earned Income Tax Credit is incredibly popular among residents in every corner of the state, Scott Walker's first biennial budget called for reducing the program by \$55.2 million over the next two years - which raised taxes on nearly 140,000 Wisconsin families.

The Republican dominated Joint Finance Committee (JFC) then increased the total size of the cut to the EITC to \$56.2 million.

In the end, Walker's anti-middle class policy limited families with two children to claiming 11 percent of the EITC and families with three or more children to 34 percent. Before Walker opened the door to cut the EITC, families with two children were able to claim 14 percent of the EITC and families with three or more were able to claim 43 percent.

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In 2013, Democrats urged Scott Walker to use a projected surplus to restore the EITC cuts made two years earlier. Instead, Walker ignored both Democrats and the plight of struggling working class families, releasing a budget calling for irresponsible income tax cuts aimed at those at the very top.

"Scott Walker promised to never raise taxes when he was a candidate in 2010. I guess what really he meant to say was that he would never raise taxes on individuals at the very top." Democratic Party of Wisconsin Chair Mike Tate said on Tuesday. "There are two ways Scott Walker will never be like his idol Ronald Reagan. The first is his obvious disdain for working class families. The second is he'll never be President after voters choose new leadership for Wisconsin in November. "

RONALD REAGAN

Expanded the Earned Income Tax Credit
in the Tax Relief Relief Act of 1986.



WRONG WAY WALKER

Cut the Earned Income Tax Credit,
raising taxes on **140,000** working families.
(2011 Wisconsin Act 32)



If Reagan had this right, why did Walker get it wrong?

Paid for by the Democratic Party of Wisconsin, Mike Tate, Chair.