

Budget Amendment Would Deliver Relief for Small Businesses

Written by Gordon Hintz Press, Rep. 54th Assembly District
Tuesday, 16 February 2021 10:30

<http://newiproggressive.com/images/stories/S5/jfcphoto-s5.jpg>



Assembly Dems plan would direct funds to deliver immediate assistance to WI businesses.

MADISON – Monday, Wisconsin Assembly Democrats introduced a substitute amendment to Assembly Bill 2 that maximizes the \$500 million in the bill by delivering relief to small businesses that are continuing to struggle in the COVID-19 pandemic. AB 2, which has not had a single public hearing despite a nearly half-billion dollar price tag, is scheduled for a floor vote on Tuesday, February 16th. Assembly Democrats’ substitute amendment would create a tax deduction for Wisconsin businesses that received a Paycheck Protection Program (PPP) loan as large as \$250,000 and provide \$241 million in state grant assistance to small businesses in Wisconsin who are struggling due to COVID-19.

Assembly Democrats’ substitute amendment would create a deduction for expenses that business owners paid using PPP loan funds, up to \$250,000. Businesses that received a PPP loan less than \$250,000, which is 90% of Wisconsin recipients, would be able to deduct their full amount of expenses. Businesses that received a PPP loan more than \$250,000 would still get a \$250,000 deduction.



“Instead of rubber stamping a less effective, untargeted, and costly federal tax deduction, state lawmakers should consider how to most effectively allocate \$500 million to immediately help

Budget Amendment Would Deliver Relief for Small Businesses

Written by Gordon Hintz Press, Rep. 54th Assembly District
Tuesday, 16 February 2021 10:30

businesses impacted by COVID-19. Washington politicians have the luxury of spending money they don't have. In Wisconsin, we are required to have a balanced budget. If we are going to act on a \$500 million tax relief plan, we should make sure those resources are directed where they are most needed and where they will help immediately. Assembly Democrats are fighting to ensure Wisconsin small businesses get the relief and support they need as our state continues to fight COVID-19," said Assembly Democratic Leader Gordon Hintz (D-Oshkosh).

"We've heard loud and clear from small business owners across Wisconsin that they need relief now, not just a deduction that they might be able to access years from now. They're working hard to protect their workers and customers from COVID-19 while still running their businesses, but many businesses still need our help. Our amendment will provide financial relief and make an immediate difference for these small businesses and their communities throughout our state."

Assembly Democrats' substitute amendment would also direct immediate financial assistance to businesses that are hurting due to COVID-19 through the creation of a grant program housed at the Wisconsin Department of Revenue (DOR). The grant program would distribute approximately \$241 million in immediate assistance to Wisconsin businesses, which is about the same amount of funding that has been distributed through the We're All In grant program. Assembly Democrats' substitute amendment has the support of business owners throughout Wisconsin, who know first-hand that immediate direct relief for small businesses, not just tax deductions to be used years down the road, will be critical to ensuring continued future operations.

Tim Piotrowski of Delta Beer Lab in Madison said in support of this amendment, "COVID-19 decimated our existing revenue streams - our taproom and our restaurant and bar customers. We pivoted by putting nearly all of our beer in cans and added grocery and liquor store customers nearly every week since April 2020. Packaging costs have doubled and labor costs remain high. Small manufacturers like me are struggling financially as our small financial reserves continue to deplete. Our future - after COVID - is very bright, but we have to get there, and this amendment provides the immediate relief we need to get beyond the next few months."

Owner George Bregar of Company Brewing in Milwaukee commented, "At Company Brewing, we have prioritized the health and safety of our staff and community when making business decisions during this pandemic. We have chosen to not re-open for in-person service for the last 6 months, instead relying on curbside service and a pivot to wholesale sales. While we feel that we have made the right choices for public health, our business is still suffering greatly in key areas and this amendment would provide immense relief."

Budget Amendment Would Deliver Relief for Small Businesses

Written by Gordon Hintz Press, Rep. 54th Assembly District
Tuesday, 16 February 2021 10:30



Lark and Lark Market owners Richard and Joan Neeno in Janesville stated, “Businesses like ours need grants, not loans or deferred financial benefits such as deductions. Creating a grant fund through the capping of deductions provides a ‘pain-free’ means of funding the grants and should be acceptable to all parties. We appreciate the concern shown for the continued existence of small businesses throughout the state.”

Kari Reents of Velvet and Tulle Boutique in Janesville said, “For the past year, we have been working as hard as we can to adapt to the COVID-19 environment to ensure that our workers and customers stay safe and don’t contract this virus. This amendment that is being proposed in regards to the Payroll Protection Plan would provide the kind of direct, immediate relief we need, as well as open up much needed funding to be used as small business grants to the small businesses that need it the most.”

Assembly Democrats’ substitute amendment, which will benefit both businesses that got PPP loans last year and businesses that did not, will be voted on during tomorrow’s Assembly floor session.