Written by WisDems Press, Hannah Menchhoff Friday, 28 October 2022 19:05 - Last Updated Saturday, 29 October 2022 09:15



Report this week by the Heartland Signal found that Johnson has avoided paying millions in state tax on a trust fund since 2015

MADISON, Wis. — Today, a new report laid out how Ron Johnson has taken advantage of tax loopholes designed for the ultra-wealthy and the efforts he went through to have the 2017 GOP tax bill changed in a way that benefited himself and the billionaire donors bankrolling his campaign.

Heartland Signal: Sen. Ron Johnson used tax loophole to avoid paying millions in state tax on trust fund

Key points:

A report this week found that Johnson has avoided paying millions in state tax on a trust fund since 2015.

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Ron Johnson Used Tax Loophole to Avoid Paying Millions in State Taxes

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The Madison-area news station WKOW <u>published</u> Monday that a family trust fund that Johnson set up in 2011 and was *paying hundreds of thousands of dollars in state tax annually beforehand* is now a tax credit.

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He has not paid a single cent in state tax on the fund since 2016 — and it is fully legal under a tax credit that benefits the wealthy.

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As the percentage of manufacturing and agricultural activities scaled up since it went into effect in 2013, the trust fund of the former manufacturing CEO qualified for the [Manufacturing and Agriculture Tax Credit

] in 2016 — the first year Johnson did not pay state tax on the fund.

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The Milwaukee Journal Sentinel reported in 2011 that Johnson used the family trust fund to buy a seven-figure house in Washington D.C.

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As the senator tries to pitch himself to voters as a tough-love fiscal conservative that isn't afraid to propose controversial government spending cuts, *he's also one of the Senate's biggest opponents of taxing the wealthy.*

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He personally stonewalled President Donald Trump's 2017 tax cut until his provision to lower taxes on "pass-through" companies even more was passed.

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ProPublica <u>found</u> in Aug. 2021 that despite Johnson's insistence that it favors small businesses, the provision saved large corporations up to \$215 million in tax deductions — *coincidentally, benefitting Johnson's biggest donors.*

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Billionaire Diane Hendricks, chairwoman of the ABC Supply corporation, <u>donated \$3.3 million</u> to a pro-Johnson PAC just this month, Federal Election Commission records show.

The Wisconsin Democratic Party sees it as Johnson taking advantage of tax laws created by and for the wealthy (OpenSecrets estimates Johnson was worth \$39 million in 2018.)

- "While Ron Johnson takes advantage of tax loopholes designed for the ultra-wealthy like himself, he's working overtime to put Social Security and Medicare on the chopping block," said Grace O'Neill, a spokesperson for the party.