

# January 2011 Sales Tax Distributions Announced

## *St. Croix, Pierce, and Polk Counties Post Gains From 2010*

The Wisconsin Department of Revenue recently posted January 2011 sales tax distributions to counties that have enacted the 0.5 percent local sales tax. The Department of Revenue distributed \$362,467 to St. Croix County in the first month of 2011 compared to distributions of \$359,321 in January 2010, for a 1-year increase of 0.875% (less than 1% or an increase of +\$3,146). Comparing the 2011 distribution to 2009, the increase is \$24,465 or +7.24%. A 5-year look-back to January 2006 shows a decrease of \$70,054 in distributions to the county (a decline of 16.2%).

St. Croix residents near the Wisconsin-Minnesota border, along with daily commuters to the Twin Cities, also make purchases in Minnesota which are reported to that state's Department of Revenue. "The distributions released by Revenue are less than scientific in terms of a true reflection of what St. Croix's residents are purchasing," said William Rubin, executive director of St. Croix Economic Development Corporation (EDC).

St. Croix, Polk, and Pierce counties comprise Wisconsin's St. Croix Valley. January's sales tax distributions to Pierce and Polk rose sharply from 2010 to 2011. Distributions in Pierce County increased \$15,516, for an increase of 15.43%. Polk received an additional \$39,620, for an increase of 27.54%. Pierce and Polk are running ahead of the January 2006 distributions compared to January 2011.

The ten counties of west central and northwest Wisconsin comprise the Momentum West region. Sales tax distributions for January 2011 were up in nine of the ten counties. Only Chippewa County experienced a slight decline of \$1,214 in 2011 compared to 2010 (-0.41%, or less than one-half of a percent). Distributions to Clark County increased almost 50% from 2010 to 2011. Eau

*"Taxable holiday purchases made in early to mid-November 2010 are likely reflected in the January 2011 distribution to St. Croix County," said William Rubin, executive director of St. Croix EDC. "There's good news and bad news. The January 2011 distribution is greater than those in 2009 and 2010, but there's a long way to go compared to the January 2006 distribution."*



Claire County, known as a regional shopping destination, had a monthly gain in sales tax distributions of 15.34%, or \$96,886 more in 2011 compared to 2010. Rusk County reported a 1-year increase of 27.47%.

Wisconsin imposes a five percent tax on the sale or use of most tangible personal property and on selected services. Each merchant is responsible for paying the sales tax, regardless of whether the tax is identified on the bill or collected directly from the customer. Counties may levy local sales and use taxes on the same tax base as the state sales tax. As of July 1, 2010, 62 of Wisconsin's 72 counties levied the 0.5% county sales tax.

January 2011 distributions to the 62 counties increased 3.36% (+\$724,492) from the same time period in 2010.

### **St. Croix Valley Sales Tax Distributions 2006 to 2011**

<i>County</i>	<i>January 2011</i>	<i>January 2010</i>	<i>January 2009</i>	<i>January 2006</i>
Pierce	\$116,077	\$100,561	\$68,662	\$114,727
Polk	\$183,466	\$143,846	\$156,221	\$179,043
St. Croix	\$362,467	\$359,321	\$338,002	\$432,521
State of WI	\$22,316,359	\$21,591,867	\$22,405,848	(see footnote)

Source: Wisconsin Department of Revenue; St. Croix EDC (January 2011)

Footnote: Additional counties have enacted the 0.5% local sales tax since 2006