



Tony Evers

OFFICE OF THE GOVERNOR

April 3, 2026

To the Honorable Members of the Assembly:

I am vetoing Assembly Bill 461 in its entirety.

This bill would adopt, for state income tax purposes, the existing federal income tax deduction for qualified overtime compensation, which is compensation in excess of the employee's regular hourly rate, paid to the employee for overtime work as required by law, up to certain levels.

Cutting taxes has been a bipartisan priority over the last six years. I have proposed middle-class tax cuts in every budget I have introduced as governor, and the Legislature sent me back some proposals I agreed with, including one of the largest tax cuts in state history. All told, through the income tax cuts I have signed into law during my time in office, most Wisconsinites have seen a 15 percent income tax cut or more, and folks will see \$1.5 billion in tax relief each year, primarily targeted to the middle class.

A top priority for me has been working to give working families across our state more breathing room in their household budgets. Thanks to our work cutting taxes, Wisconsinites are keeping more of their hard-earned income today than at any point in the last 50 years. A Wisconsin Policy Forum report says Wisconsin's state and local tax burden dropped to a record low in 2024. The state and local taxes Wisconsinites pay as a share of their income is the lowest it has been in over half a century.

Just two decades ago, Wisconsin was in the top five states for our tax burden and the taxes Wisconsinites paid as a share of their income. Today, Wisconsin is in the bottom 16 states in the country. We have seen the largest drop in our tax burden of any state over the last 20 years.

My position has always been that when we provide tax relief, it should be real, responsible, and targeted to the middle class and working families who need it. Unfortunately, I must veto this bill in its entirety because I object to this bill changing the tax code in a way that will treat Wisconsin workers who earn similar wages differently just because of their classification as salaried or hourly workers. A salaried worker who earns \$35,000 (and is not eligible to earn overtime compensation) should not pay a different amount in taxes from an hourly worker who earns \$35,000 through working overtime. We should focus on creating a fairer tax code that provides real, responsible tax relief that supports rather than divides working Wisconsinites.

We've also been able to provide real, responsible relief while still paying down our state's debt, saving where we can, and working across the aisle to be good stewards of taxpayer dollars. Therefore, I also object to this bill because we should not incur such a large fiscal impact for the small share of workers who earn overtime pay, while Wisconsinites across our state are working hard but still can't afford rising costs.

Respectfully submitted,

A handwritten signature in black ink that reads "Tony Evers".

Tony Evers
Governor

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