

1 **WASHINGTON COUNTY, WISCONSIN**

2 Date of enactment: 6/13/18

3 Date of publication: 6/21/18

4 **VOTE**

5 **2018 RESOLUTION 18**

6 **Support for Legislation to Close Property Tax Loopholes**
7 **Used by National Chain Stores**

8 **WHEREAS**, home owners in Wisconsin pay over 70% of the total statewide property tax
9 levy; and

10 **WHEREAS**, the disproportionate burden of property taxes on home owners will worsen
11 unless legislators take action to close loopholes in property tax law that some national chains and
12 big box retail establishments use to gain dramatic reductions in property taxes; and

13 **WHEREAS**, lawsuits in Wisconsin have forced assessors to reduce the market value of
14 thriving national retail stores, shifting the tax burden to local businesses and home owners; and

15 **WHEREAS**, some national chain stores in Wisconsin have argued in communities across
16 the state that the assessed value of their property for property tax purposes should only be half of
17 its actual value on the open market; and

18 **WHEREAS**, some big box chain stores are using what is known as the "Dark Store
19 Theory" to argue that the assessed value of a new, thriving store should be based on comparing
20 their buildings to nearby vacant or abandoned stores from a different market segment and in
21 many cases, courts have sided with the national chain stores, requiring communities to refund tax
22 revenue back to the chain stores; and

23 **WHEREAS**, the Indiana State Legislature has on two occasions in the last three years,
24 overwhelmingly passed bipartisan legislation prohibiting assessors from valuing new big box
25 stores the same as nearby abandoned stores from a different market segment; and

26 **WHEREAS**, Michigan State House overwhelmingly passed similar legislation in May of
27 2016;

28 **NOW, THEREFORE, BE IT RESOLVED** by the Washington County Board of
29 Supervisors that this Board urges the Governor and Legislators to protect home owners and main
30 street businesses from having more of the property tax burden shifted to them by passing legislation
31 that allows for leases to be appropriately factored into the valuation of leased properties.

32 **BE IT FURTHER RESOLVED** that this Board urges the Governor and Legislators to enact
33 legislation requiring assessors to consider as comparable only those sales within the same market
34 segment exhibiting a similar highest and best use rather than similarly sized, but vacant properties in
35 abandoned locations when using the comparable sale method of valuation.

