

1 **WASHINGTON COUNTY, WISCONSIN**

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3 Date of enactment: 7/11/18

4 Date of publication: 7/19/18

5 **VOTE**

6 **2018 RESOLUTION 25**

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8 **Advisory Referendum – Property Tax "Dark Store Loopholes"**

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

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

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

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

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

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

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34 **WHEREAS**, Michigan State House overwhelmingly passed similar legislation in May of
35 2016;

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37 **WHEREAS**, the Wisconsin State Legislature has yet to pass legislation closing the Dark
38 Store loophole; and

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40 **WHEREAS**, Wisconsin State Statute §59.52(25) authorizes the County Board of
41 Supervisors to conduct a county-wide advisory referendum; and

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43 **WHEREAS**, a county-wide referendum on the issue of Dark Stores would provide
44 guidance to the Wisconsin State Legislature as to the will of the Washington County electorate;
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NOW, THEREFORE, BE IT RESOLVED by the Washington County Board of Supervisors that the County Clerk is authorized to make arrangements to conduct a county-wide advisory referendum to be held in conjunction with the November 2018 general election.

BE IT FURTHER RESOLVED that the question on the ballot shall read as follows:

Question: Should the state legislature enact proposed legislation that closes the Dark Store loopholes, which currently allow commercial retail properties to significantly reduce the assessed valuation and property tax of such properties, resulting in a substantial shift in taxes levied against other tax paying entities, such as residential home owners, and/or cuts in essential services provided by an affected municipality?

BE IT FURTHER RESOLVED that the County Attorney is directed to prepare a Notice of Referendum, including the date of the referendum, the entire text of the question, as well as an explanatory statement of the effect of either a yes or no vote.



VOTE REQUIREMENT FOR PASSAGE: Majority

RESOLUTION SUMMARY: Resolution supporting legislation to close property tax loopholes used by national chain stores.

APPROVED:

Introduced by members of the EXECUTIVE
COMMITTEE as filed with the County Clerk.

(signed by Bradley S. Stern)

Bradley S. Stern

County Attorney

Dated 7/19/18

Considered 7/11/18

Donald A. Kriefall, Chairperson

Adopted 7/11/18

Ayes 21 Noes 2 Absent 2 Vacant 1

Voice Vote _____

(There is no significant direct fiscal impact for inclusion of a county-wide advisory referendum on the November 2018 ballots.)