WASHINGTON COUNTY, WISCONSIN

Date of enactment: 6/13/18
Date of publication: __________

2018 RESOLUTION 18

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

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

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that this Board urges the Governor and Legislators to enact legislation requiring assessors to consider as comparable only those sales within the same market segment exhibiting a similar highest and best use rather than similarly sized, but vacant properties in abandoned locations when using the comparable sale method of valuation.
BE IT FURTHER RESOLVED that the County Clerk is directed to forward a copy of this resolution to Governor Scott Walker, the Wisconsin Counties Association and Washington County's Legislative Representatives with the request that they assist in this endeavor.

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 and SUPERVISOR
Bradley S. Stern CHRISTOPHER BOSSERT
County Attorney as filed with the County Clerk.
Dated 6/13/18

Considered 6/13/18 Donald A. Kriefall, Chairperson
Adopted 6/13/18

Ayes 23 Noes 1 Absent 2
Voice Vote_____________________

(We are unable to determine the direct fiscal impact to the County since requested changes to assessments are unpredictable.)