

February 15, 2017

TO THE HONORABLE CHAIRMAN AND MEMBERS  
OF THE BROWN COUNTY BOARD OF SUPERVISORS

Ladies and Gentlemen:

**A RESOLUTION REQUESTING THE CLOSE OF LOOPHOLES THAT SHIFT A  
GREATER PROPERTY TAX BURDEN FROM COMMERCIAL PROPERTY OWNERS  
TO RESIDENTIAL HOMEOWNERS**

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

**WHEREAS**, that disproportionate burden is about to get much worse unless the Legislature addresses tax avoidance strategies that national store chains like Walgreens, and big box retail establishments like Target and Lowe's are using across the country to gain dramatic reductions in their property tax bills at the expense of homeowners and other taxpayers; and

**WHEREAS**, a carefully-orchestrated wave of hundreds of lawsuits in Wisconsin is forcing assessors to slash the market value of thriving national retail stores, shifting their tax burden to local "Mom and Pop Shops" and homeowners alike; and

**WHEREAS**, Walgreens and CVS stores in Wisconsin have argued in communities across the state that the assessed value of their property for property tax purposes should be less than half of their actual sale prices on the open market; and

**WHEREAS**, in many cases the courts have sided with Walgreens and CVS, requiring communities to refund tax revenue back to the stores; and

**WHEREAS**, there are over 200 Walgreens stores located in Wisconsin's cities and villages; and

**WHEREAS**, Target, Lowe's, Meijer, Menards and other big box chains are using what is known as the "Dark Store Theory" to argue that the assessed value of a new store in a thriving

location should be based on comparing their buildings to sales of vacant stores in abandoned locations from a different market segment; and

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

**WHEREAS**, the Michigan state house overwhelmingly passed similar legislation in May of 2016; and

**WHEREAS**, the Brown County Executive Committee supports this resolution and desires that the Brown County Board of Supervisors pass this resolution.

**NOW, THEREFORE, BE IT RESOLVED**, that the Brown County Board of Supervisors urges the Governor and the Legislature of the state of Wisconsin to protect homeowners and main street businesses from having even more of the property tax burden shifted to them by passing legislation clarifying that:

1. Leases are appropriately factored into the valuation of leased properties; and
2. When using the comparable sale method of valuation, assessors shall 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

**BE IT FURTHER RESOLVED** by the Brown County Board of Supervisors that the Brown County Clerk shall forward this resolution to Brown County's State Legislative Delegation for consideration.

*Fiscal Note: This resolution does not have a fiscal impact, and therefore does not require an appropriation from the General Fund.*

Respectfully submitted,  
EXECUTIVE COMMITTEE

Approved By:

          /s/ Troy Streckenbach            
TROY STRECKENBACH  
COUNTY EXECUTIVE

Date Signed:   02/20/2017          

Authored by Corporation Counsel

Approved by Corporation Counsel Office