

CITY OF MADISON, WISCONSIN

REPORT OF THE CITY ATTORNEY

AUTHOR: JAIME L. STAFFARONI

DATED: 3/21/2015

TO THE MAYOR AND COMMON COUNCIL:

RE: UNLAWFUL TAXATION: Joseph Pickart, Whyte Hirschboeck Dudek S.C., for United Rentals – unlawful taxation - \$144,455.00.

Claimant United Rentals, Inc. is seeking recovery of allegedly unlawful tax pursuant to Wis. Stat. § 74.35 for their personal property. The claim alleges the personal property is exempt Rental Property, pursuant to Wis. Stat. § 70.111(22). They are seeking the refund in the amount no less than \$144,455 for their 2015 taxes.

In July of 2015, pursuant to 2015 Wisconsin Act 55, Wis. Stat. § 70.111(22) was amended to clarify the types of owners and entities which could claim exemption for rented personal property. This amendment was made retroactively to January 1, 2014. In December of 2015 the Wisconsin Department of Revenue released the 2016 Wisconsin Property Assessment Manual which provided further clarification as to the specific types of exempt equipment.

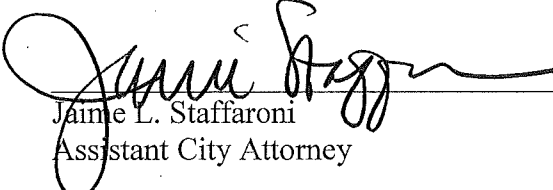
The City currently has pending litigation with this Claimant in the Dane County Circuit Court regarding the exemption of the 2014 personal property taxes, which the parties are working to resolve in light of the recent legislative amendment and instruction from the Wisconsin Department of Revenue.

Based on the foregoing reasons and recent discussions with the Claimant the City Assessor has reassessed the Claimants personal property value and will be issuing a refund in the amount of \$141,916.72 as a correction of errors.

Therefore, I recommend denial of this claim because the Assessor's office will be issuing a refund as a correction of error.

Note: This claim was received on January 28, 2016, and pursuant to Wis. Stat. § 74.35(3)(a) if no action is taken on these claims by the Common Council within ninety(90) days of filing the claim, it is considered disallowed.

Respectfully submitted,



Jaime L. Staffaroni
Assistant City Attorney