



Legislation Details (With Text)

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File created:	2/21/2017	In control:			COMMON COUNCIL
On agenda:	2/28/2017	Final action:			2/28/2017
Enactment date:	3/2/2017	Enactment #:			RES-17-00137
Title:	Urging the Governor and the State Legislature to close loopholes that shift a greater property tax burden from commercial to residential homeowners.				
Sponsors:	Ledell Zellers, Paul R. Soglin, Michael E. Verveer, Marsha A. Rummel, David Ahrens, Samba Baldeh, Shiva Bidar, Sheri Carter, Maurice S. Cheeks, Mark Clear, Denise DeMarb, Sara Eskrich, Tim Gruber, Amanda Hall, Barbara Harrington-McKinney, Rebecca Kemble, Steve King, Larry Palm, Matthew J. Phair, Paul E. Skidmore, Zach Wood				

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/28/2017	1	COMMON COUNCIL	Adopt Under Suspension of Rules 2.04, 2.05, 2.24, and 2.25	Pass
2/21/2017	1	Council Office	RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS	

Fiscal Note

No appropriation required.

Title

Urging the Governor and the State Legislature to close loopholes that shift a greater property tax burden from commercial to residential homeowners.

Body

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

WHEREAS, the disproportionate burden is about to get much worse unless the Legislature closes loopholes that national drugstore chains and big box retail establishments 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 the tax burden to local mom and pop shops and homeowners; and,

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

WHEREAS, in many cases the courts have sided with retail drug store owners, requiring communities to refund revenue back to the stores; and,

WHEREAS, big box chains are using what is commonly known as "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,

WHEREAS, the Republican-controlled 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 nearly vacant and abandoned stores from a different market segment; and,

WHEREAS, the Michigan House of Representatives overwhelmingly passed similar legislation in May of 2016,

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Common Council of the City of Madison urges the Governor and the Legislature 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 the properties; and
2. Assessors must, when using the comparable sale method of valuation, consider as comparable those sales exhibiting a similar highest and best use market segment, rather than similarly sized but vacant and abandoned properties.

BE IT FINALLY RESOLVED, that the City Clerk forward copies of the adopted resolution to Governor Scott Walker and the Madison area legislative delegation.