Budget provision will help residential and small business taxpayers.

MADISON – This morning, Governor Evers announced that his biennial budget will include a provision to close the "Dark Store Loophole." Based on a Supreme Court decision, big box retailers are allowed to base their tax assessments on their value as a vacant store rather than a store in operation. Unfortunately, Republicans ended the 2017-18 legislative session without closing this tax loophole, therefore continuing to shift the property tax burden to residential and small business taxpayers. Assembly Democratic Leader Representative Gordon Hintz (D-Oshkosh) released the following statement on the Governor's proposal:

"Communities across the state asked us to fix this loophole. Local governments asked us for relief from costly legal fights against well-funded national retailers", Rep. Hintz stated. "I am confident the Governor's announcement today will give this effort the needed momentum to finally close the Dark Store Loophole this legislative session."

To cite just a few examples of retailers using the Dark Store loophole to avoid paying taxes:

· Using the Dark Store Loophole, Menards reduced the value of its property in Fond du Lac, from $9.2 million to $5.2 million.

· A CVS property in Appleton reduced the value of its property from $4.4 million to $1.8 million. Local taxpayers are now on the hook for a $350,000 refund.

“Like Governor Evers, legislative Democrats want to be a partner for local governments. For too long, homeowners and small business owners have had to increasingly bear the burden of this tax shift so national retailers can receive an unfair tax break. Republican inaction, in effect, was making a decision to side with big box national retailers. The bill has had strong bipartisan support in the past. With Governor Evers’ announcement today, I am hopeful that we can close the Dark Store Loophole in a bipartisan manner this session.”

On November 6th, twenty three counties voted on referendums regarding the Dark Store Loophole. The results were overwhelming. Over 78% of voters supported closing this unfair tax loophole.