

**RESOLUTION NO. 9190-16 of the COUNCIL AS A WHOLE**

Committee Date: NA

Committee Action: NA

Resolution urging the Governor and the Legislature to close loopholes causing more of property tax burden to shift from commercial to residential.

Public Hearing: Na

Date Introduced: December 6, 2016

Council Action: Adopted

**WHEREAS**, homeowners 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 county to gain dramatic reductions in their property tax bills at the expense of homeowners and other taxpayers; and

**WHEREAS**, a carefully-orchestrated wave of 100s of lawsuits in Wisconsin 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 tax revenue back to stores; and

**WHEREAS**, big box chains are using what is 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 abandoned stores from a different market segment; and

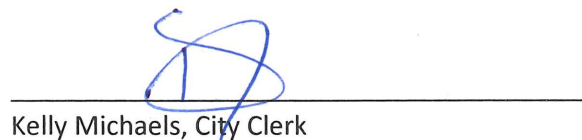
**WHEREAS**, the Michigan House of Representatives overwhelmingly passed similar legislation in May of 2016.

**NOW, THEREFORE, BE IT RESOLVED**, that the Common Council of the City of Brookfield urges the Governor and the Legislature to protect homeowners and main street business from having even more of the tax burden shifted to them by passing legislation clarifying that:

1. Leases are appropriately factored into the valuation of 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 abandoned properties.

**PASSED AND ADOPTED** by the Common Council of the City of Brookfield, County of Waukesha, State of Wisconsin on the 6<sup>th</sup> day of December, 2016.

  
Steven V. Ponto, Mayor

  
Kelly Michaels, City Clerk