



For Immediate Release

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**A Clear Voter Mandate, a Bipartisan Solution:
Close the Dark Store Loopholes
*Tax Shift Unfairly Targets Homeowners and Small Businesses***

Voters and local officials statewide are calling on Governor-Elect Evers and state legislators to close the Dark Store Loopholes and stop the tax shift to homeowners and small businesses. With a statewide tally of 802,870 voters (79%) in favor, Wisconsin voters from 23 counties, cities, villages and towns on Tuesday were clear in calling for the end to the Dark Store Loopholes. The referendums passed in every community, from Merrill (76%) to Washington County (64%) and from Kenosha (79%) to Barron County (67%). (See spreadsheet.)

The League of Wisconsin Municipalities, Wisconsin Counties Association and Wisconsin Towns Association are united in their call to close the Dark Store Loopholes.

"The pace of Dark Store shifts will increase in the next few years as more and more large commercial property owners tap into these loopholes," said League of Wisconsin Municipalities Executive Director Jerry Deschane. "A recent *Kenosha News* story reported that property tax bills for taxpayers who can't use the loopholes will increase as much as 18-percent. It's time to shut the door on this unintended tax break and protect home owners and small businesses."

"The election results on the referendum show that this is a common-sense issue," said Wisconsin Counties Association Executive Director Mark D. O'Connell. "The voters have spoken and now we encourage the Governor-elect and the legislature to take up this issue and close the dark store loopholes. This is a tax shift, mainly to homeowners, and we encourage our state officials to act in January."

Wisconsin Towns Association Executive Director Mike Koles added, "Large corporations, small businesses, and home owners are all vital elements in local communities. Their success depends on being provided an array of public services like roads, police, and fire.

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Local governments are already capped at how much revenue can be generated to provide these critical services. The issue is not about local governments collecting more in property taxes. It is about keeping property tax bills as equitable as possible for all taxpayers. Yesterday's referendum results illustrate the public's disdain for the push to have homeowners and small business shoulder an unfair portion of the responsibility."

Many state legislative candidates ran on the Dark Store Loopholes, vowing to close them. Two bills in the 2017-18 Legislature already had remarkably broad support among legislators of both parties. One bill had 84 co-sponsors (63% of the Legislature). The other had 61 co-sponsors (46% of the Legislature). If the bills had been scheduled for votes, they would have passed both houses by huge margins.

The dark store loopholes shift more of the burden of paying for essential local services—like police, fire, and other emergency services—from commercial and manufacturing to homeowners and small businesses. This happens despite the fact big box stores and other large commercial properties use more of these services than the average homeowner or small businesses.

By any measure, homeowners already bear a disproportionate share of the statewide property tax burden in Wisconsin. Homeowners pay 68% of property taxes in Wisconsin, which is much higher than in most other states. Homeowners in Minnesota, for example, pay only 50% of the property tax levy. In 1970, homeowners in Wisconsin also paid only 50% of the tax levy.

Local city, village, town and county officials statewide are concerned about more of the property tax burden being shifted onto homeowners. Homeowners should not and cannot bear more of the cost of local services.

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November 6, 2018 Dark Store Loopholes Advisory Referendum

Muni/County	Total # Votes for Ref	Total # of Votes Cast	% for Ref
DeForest	4,091	4,566	89.59%
Glendale	6,064	6,900	87.88%
Kenosha	30,613	34,617	88%
Merrill	2,594	3,419	75.87%
Sun Prairie	12,816	14,322	89.50%
West Milw.	1,016	1,187	86%
<i>Barron</i>	11,853	17613	67.30%
<i>Brown</i>	81030	108028	75.01%
<i>Dane</i>	260283	283568	91.79%
<i>Grant</i>	12582	18093	69.54%
<i>Green Lake</i>	5295	7607	69.61%
<i>Jefferson</i>	19787	33104	59.77%
<i>Kenosha</i>	50920	64612	78.81%
<i>Manitowoc</i>	22310	32984	67.64%
<i>Monroe</i>	10384	15614	66.50%
<i>Outagamie</i>	56457	76321	73.97%
<i>Portage</i>	26684	32603	81.85%
<i>Rock</i>	47544	64,700	73.48%
<i>Vernon</i>	8366	12404	67.45%
<i>Walworth</i>	31039	41659	74.51%
<i>Washburn</i>	4998	7291	68.55%
<i>Washington</i>	45,475	70845	64.19%
<i>Winnebago</i>	50,669	68755	73.70%
Total	802,870	1,020,812	78.65%

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