



For Immediate Release

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Republicans end session without closing the “Dark Store Loophole”

Wisconsin homeowners will continue paying more while corporate retailers like Wal-Mart save millions

MADISON – Republicans ended the 2017-18 legislative session without closing 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. This so-called ‘Dark Store Loophole’ saves corporate retailers millions of dollars and shifts the property tax burden to residential and small business taxpayers. Assembly Democratic Leader Representative Gordon Hintz (D-Oshkosh) released the following statement on the Assembly Republicans failure to close this loophole.

“Let me be clear, failing to take legislative action on this issue is making a decision,” said Rep. Hintz. “Assembly Republicans failure to close this loophole is shameful. This is a green light for a growing number of retailers - large and small - to contest their assessments. Continued inaction results in lost revenue that will increasingly be made up by increased property taxes on residential homeowners and small businesses.”

Despite having a majority of the Assembly as co-sponsors of the Dark Store bill, Republicans refused to take up this important legislation.

“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. Instead, they will continue to bear this expense. I have never met a homeowner who thinks they need to pay more in property taxes so that a large national retailer can receive an unfair tax break.”

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.

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