

Senator Erpenbach
Senator Johnson
Representative Taylor
Representative Goyke

SHARED REVENUE AND TAX RELIEF -- PROPERTY TAXATION

Require Municipalities to Estimate the Effect of "Dark Stores" on Individual Property Tax Bills

Motion:

Move to require that municipalities show on each taxpayer's property tax bill the shift in property tax levies from commercial retail properties to that property as a result of: (a) comparing commercial retail properties to dark properties for assessment purposes; and (b) assessing leased commercial retail property based on market rents, rather than actual contract rents. Define "dark property" to mean property that is vacant or unoccupied beyond the normal period for property in the same real estate market segment.

Note:

In 2008, the Wisconsin Supreme Court decided in Walgreen Company v. City of Madison that a property tax assessment of leased retail property must be based on "market rents," which is what a person would pay to rent the property, based on rentals of similar property, as opposed to "contract rents," which is the amount that the lessee actually paid to rent the property.

This motion would require that municipalities estimate on each taxpayer's property tax bill in their jurisdiction the tax shift that occurs due to the "dark store" phenomenon and due to the Walgreen Company v. City of Madison ruling. The tax shift within individual municipalities cannot be estimated due to a lack of statewide parcel-level data on market lease rates, contract lease rates, and the location of the affected commercial retail properties.

M# 56 not allowed

NYGREN	Y	N	A
LOUDENBECK	Y	N	A
BORN	Y	N	A
ROHRKASTE	Y	N	A
KATSMA	Y	N	A
ZIMMERMAN	Y	N	A
TAYLOR	Y	N	A
GOYKE	Y	N	A

DARLING	Y	N	A
OLSEN	Y	N	A
TIFFANY	Y	N	A
MARKLEIN	Y	N	A
STROEBEL	Y	N	A
LAMAHIEU	Y	N	A
ERPENBACH	Y	N	A
JOHNSON	Y	N	A

AYE _____ NO _____ ABS _____