

Rep. Hintz: Dark store loophole continues to shift property tax burden to homeowners

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MADISON — Throughout December, property tax bills will land in mail boxes across Wisconsin. Unfortunately, small businesses and property taxpayers have been forced to pay more due to big box retailers using the so-called “Dark Store Loophole”. Based on a Supreme Court decision, big box retailers exploit a loophole to base their tax assessments on their property value as a vacant store rather than a store in operation. This saves national corporate retailers millions of dollars while shifting the property tax burden to residential and small business taxpayers. Representative Gordon Hintz (D-Oshkosh) released the following statement on this tax loophole and its impact on residential property taxes:

“People in Wisconsin sitting down to pay their property taxes should be aware that they are paying more so large corporations can get a tax break,” Rep. Hintz stated. **“Homeowners already pay 68 percent of the statewide property tax levy; asking them to pay more in property taxes to subsidize big box retailers is just wrong.”**

The City of Oshkosh has been significantly impacted by this practice, and has already paid out hundreds of thousands of dollars in overcharged taxes, plus court fees and interest, to retailers like Walgreens, Menards, and Lowe’s.

“This legislative session, we still have the opportunity to close the dark store loophole once and for all. I am a proud co-author of a bill to address this issue, [Assembly Bill 146](#). Despite broad, bipartisan support for this

legislation, it has yet to receive a public hearing. Failing to take legislative action on this issue is making a decision, and serves a green light for a growing number of retailers to content their assessments. It is unacceptable that Republican leaders in both houses are acting as gatekeepers and blocking this legislation. Continued inaction results in lost revenue that will increasingly be made up by increased property taxes on residential homeowners and small businesses.”

During the state budget debate in June, Assembly Democrats offered an amendment to close the dark store loophole. The amendment failed on a party line vote.