



**For immediate release**

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## **Dark Stores Legislation Introduced**

### **Bill Restores Fairness to Property Tax Appeals Issue Involving Michigan Tax Tribunal**

**LANSING, Michigan** – A bill that restores fairness to Michigan’s property tax appeals system was reintroduced in the House today with the strong support of local government leaders throughout the state.

The bill, sponsored by Rep. David Maturen, R-Brady Township, is already backed by a bipartisan group of 54 House members. Officials discussed the legislation and issue at a news conference Tuesday afternoon. The bill is jointly supported by the Michigan Municipal League, the Michigan Townships Association and the Michigan Association of Counties.

House Bill 4397 addresses the ongoing crisis of the “Dark Store” property tax appeals issue involving the Michigan Tax Tribunal. Specifically, the bill would require Tax Tribunal members to apply standard appraisal procedures when reaching their findings of facts and conclusions of law in larger property tax cases. The bill is a reintroduction of legislation that was approved in the state House of Representatives in June 2016 by a 97-11 margin.

Michigan has a distorted, unbalanced property tax system because of this “Dark Stores” theory. For several years, the Michigan Tax Tribunal has allowed Big Box retailers such as Home Depot and Target to be valued based on sales of similarly sized properties that are vacant, abandoned or now used for a different purpose — leading to huge cuts in their property taxes, and giving them a huge advantage over small businesses in their community.

HB 4397 would end this unfair practice by putting traditional appraisal standards into law, creating a fair, equitable system for resolving disputes. The bill also prevents the inappropriate use of deed-restricted properties as unreasonable sales comparisons during an appeal.

“We appreciate Rep. Maturen’s leadership and expertise on this assessment issue,” said Chris Hackbarth, director of state and federal affairs for the Michigan Municipal League (MML). “This bill is a fair and equitable solution to a complex issue facing our communities.”

“The ‘Dark Store’ theory has left communities throughout Michigan with an unbalanced property tax system that unfairly burdens small businesses and homeowners,” said Judy Allen, director of government relations for the Michigan Townships Association (MTA). “Rep. Maturen’s bill provides Michigan with a legislative solution that levels the playing field for all taxpayers.”



“Deed restrictions that prevent commercial property from being utilized by another commercial retailer not only prevent true competition, but also artificially drive down demand for the property, thereby lowering the value.” said Deena Bosworth, director of governmental affairs for the Michigan Association of Counties (MAC). “That’s the key problem here. Rep. Maturen drew on his experience as a county commissioner and as an appraiser to identify a solution to this and the other problems the Tax Tribunal has created with its Dark Stores rulings.”

HB 4397 will be a top priority for MTA, MAC and MML throughout the legislative process.

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