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Big win for tax reform: Wal-Mart's real-estate tax scam is now illegal

Gov. Doyle's signature makes it law: The real estate gimmick Wal-Mart (and unknown others?) have been using to avoid Wisconsin corporate income tax is now illegal.

The Legislature closed the tax scam as part of the budget repair bill, and Doyle signed it into effect May 16. In his veto message, Doyle wrote that the new law "closes an unacceptable tax loophole used by multinational corporations to shift profits out of the state to avoid paying Wisconsin taxes."

The measure shuts down the use of intricate tax techniques to avoid taxes by having one branch of a company pay rent to another branch of the same company.

It's a relatively small fix (estimated to bring in \$15 million this biennium) but an important first step in much-needed corporate tax reform.

Congratulations to Gov. Doyle and to legislators from both parties who closed this loophole.

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