

Town must refund Land Trust taxes

Written by CAROL POMEDAY

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Circuit court upholds agreement to repay \$14,000 assessed for former clubhouse on Forest Beach Preserve

The Town of Belgium must refund almost \$14,000 in taxes paid by the Ozaukee Washington Land Trust on the former Squires Country Club property, according to a settlement agreement between the two parties that was upheld Dec. 13 by Ozaukee County Circuit Court Judge Sandy Williams.

“We now have a case in the state that other nonprofit organizations can point to if they’re having problems with tax-exempt status,” said Shawn Graff, executive director of the Land Trust.

“We’re glad to get this behind us and now we can go back to the business of protecting the land.”

The Land Trust successfully argued the entire 116-acre property, now named the Forest Beach Migratory Preserve, should be tax-exempt, while Town of Belgium officials contended the clubhouse and five acres of land were taxable.

The Land Trust purchased the former golf course from Bruce and Bonnie Bloemer in November 2008. The Bloemers paid \$19,000 in 2008 taxes.

After the Town Board twice rejected the Land Trust’s request for tax-exempt status and a tax refund, the organization sued the town.

A ruling by Williams during a Nov. 9 preliminary hearing that the buildings and personal property could be considered tax-exempt under the state law was key to the case, Graff said. That ruling undermined the town’s defense.

“After the initial hearing, the town contacted us and suggested we try to settle this to both of our advantages,” Graff said.

Town Chairman Tom Winker said, “The judge wasn’t going to rule in our favor. She made that clear. You can’t continue to spend good money after bad.”

Graff said the Land Trust agreed to allow the town time to collect the money it owes from the other taxing entities.

The 2009 and 2010 taxes included \$1,458 to the Town of Belgium, \$8,435 to the Northern Ozaukee School District, \$1,968 to Ozaukee County, \$1,919 to Lakeshore Technical College and \$170 to the state.

“We want the taxes refunded, but we’re willing to wait. We’re a small nonprofit and \$14,000 goes a long way in hiring interns to manage the property,” Graff said.

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“We voluntarily offered to make a \$600 annual payment for the next 10 years in lieu of taxes, which is about the town’s share.”

After 10 years, the surrounding properties should increase in value to make up for the lost tax revenue, Graff said.

The important thing for the Land Trust is that town officials agreed that all the property, personal property and improvements are tax-exempt and that using the clubhouse for living quarters, fund-raising events and related uses are for the management of the property, Graff said.

“We wanted all of these things resolved that they’re permitted uses,” he said. “They agreed to all of them.”

Winker said the town was counting on the tax revenue in its budget and now must find a way to make up for that loss in addition to refunding the Land Trust.

Town Supr. Francis Kleckner, who was town chairman when the tax-exempt status was denied, said he opposed the sale to the Land Trust from the beginning, but agreed to the stipulations.

The Land Trust would not have been able to fight the township if attorney David Peterson had not donated his services, Graff said.