



HOUSE BILL No. 5541

May 10 1994 Introduced by Rep Porreca and referred to the Committee on Taxation

A bill to amend section 1613 of Act No 451 of the Public Acts of 1976 entitled as amended

'The school code of 1976,'

as added by Act No 333 of the Public Acts of 1982, being section 380 1613 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 1613 of Act No 451 of the Public Acts
2 of 1976, as added by Act No 333 of the Public Acts of 1982,
3 being section 380 1613 of the Michigan Compiled Laws is amended
4 to read as follows

5 Sec 1613 (1) By adoption of a resolution of its board
6 before February 1 1983 ~~—~~ FOR 1994 ONLY, BEFORE JUNE 1, 1994
7 or before January 1 in any OTHER year ~~—thereafter—~~ a school
8 district or intermediate school district may determine to impose
9 a summer property tax levy which resolution by its terms may be

1 applicable until revoked by the board of the school district or
 2 intermediate school district or for levies in any year specified
 3 ~~therein~~ IN THE RESOLUTION For each year such a resolution
 4 applies the school district or intermediate school district that
 5 has adopted the resolution shall request ~~, before February 1,~~
 6 ~~1983 or~~ before January 1 ~~in any year thereafter~~ OR FOR 1994
 7 ONLY BEFORE JUNE 1 1994 each city and township in which it is
 8 located to agree to collect the summer levy in that year of
 9 either the total or 1/2, as specified in the resolution, of the
 10 school property taxes Notice of the meeting of the respective
 11 school district board or intermediate school district board at
 12 which this resolution will be offered for adoption shall be pub-
 13 lished by the district ~~not less than 6 days before holding the~~
 14 ~~meeting~~ in a newspaper of general circulation in the school
 15 district or intermediate school district NOT LESS THAN 6 DAYS OR
 16 FOR 1994 ONLY NOT LESS THAN 3 DAYS BEFORE HOLDING THE MEETING
 17 This notice shall specify the time, date and place of the public
 18 meeting shall be not less than 8 vertical inches and 4 horizon-
 19 tal inches shall be in not less than 12-point type shall be
 20 preceded by a headline in not less than 18-point type stating
 21 Notice of a public meeting to institute a summer property tax
 22 levy shall contain a concise statement of the contents and pur-
 23 pose of the proposed resolution and shall not be placed in that
 24 portion of the newspaper reserved for legal notices and classi-
 25 fied advertisements Upon receipt of the request the governing
 26 body of the city or township shall negotiate the reasonable
 27 expenses for collection of the school district s or intermediate

1 school district s summer property tax levy that the city or
 2 township may bill under section 1611 or 1612 If a city or town-
 3 ship and the school district or intermediate school district
 4 reach an agreement within 30 days of receipt of the district s
 5 request for the collection of the district s summer property tax
 6 levy including an agreement to the amount of reasonable expenses
 7 that the city or township may bill under section 1611 or 1612,
 8 section 1611 ~~shall govern~~ GOVERNS the other terms of a city s
 9 agreement and section 1612 ~~shall govern~~ GOVERNS the other terms
 10 of a township s agreement

11 (2) If a city or township and the school district or inter-
 12 mediate school district fail to reach an agreement pursuant to
 13 subsection (1) for the collection of the summer property tax levy
 14 of a school district or intermediate school district subject to
 15 subsection (3) the school district or intermediate school dis-
 16 trict then may negotiate — until April 1 OR FOR 1994 ONLY
 17 UNTIL JUNE 1 1994 a proposed agreement with the county trea-
 18 surer to collect its summer property tax levy against property
 19 located in that city or township If a proposed agreement with
 20 the county treasurer has not been reached by April 1 OR JUNE 1
 21 AS APPLICABLE the school district or intermediate school dis-
 22 trict may determine to serve as the property tax collecting unit
 23 and collect its own summer property tax levy against property in
 24 that city or township

25 (3) If — pursuant to subsection (2) — the school dis-
 26 trict or intermediate school district has determined to collect
 27 its own summer property tax levy or has reached a proposed

1 agreement with a county treasurer on the collection of its summer
 2 property tax levy against property located in a city or township
 3 with which an agreement to collect this levy could not be made
 4 pursuant to subsection (1) the school district shall notify by
 5 April 15 OR, FOR 1994 ONLY, BY JUNE 3, 1994, that city or town-
 6 ship of the terms of the statement required by subsection (4)(b)
 7 and the city or township ~~shall have~~ THEN HAS 15 days OR, FOR
 8 1994 ONLY, 5 DAYS in which to exercise an option to collect the
 9 school district's or intermediate school district s summer prop-
 10 erty tax levy pursuant to the terms of section 1611 or 1612

11 (4) Collection of all or part of a school district s or
 12 intermediate school district s property tax levy by a county
 13 treasurer or by the school district or intermediate school dis-
 14 trict shall comply with all of the following

15 (a) Collection shall be either 1/2 or the total of the prop-
 16 erty tax levy against the properties, as specified for that year
 17 in the resolution of the district

18 (b) The actual cost of the collection ~~which~~ THAT the
 19 school district or intermediate school district has agreed to
 20 incur itself or to pay the county treasurer that is in addition
 21 to any fees imposed pursuant to subdivision (g) ~~—~~ and the
 22 aggregate amount of costs of collection the district has agreed
 23 to incur or the county treasurer may receive from district pay-
 24 ments and from fees and charges imposed pursuant to subdivision
 25 (g) shall be stated in writing and reported to the state
 26 treasurer

1 (c) Before June 30 the county treasurer or if the district
 2 is collecting its own summer property tax levy the treasurer of
 3 the school district or intermediate school district shall spread
 4 the taxes being collected in terms of millages on the assessment
 5 roll, assess the amount of tax levied in proportion to the state
 6 equalized valuation and prepare a tax roll ~~which~~ THAT commands
 7 the appropriate treasurer to collect on July 1 the taxes indi-
 8 cated as due on the tax roll

9 (d) Taxes authorized to be collected ~~shall~~ become a lien
 10 against the property on which assessed — and BECOME due from
 11 the owner of that property — on July 1

12 (e) Taxes shall be collected on or before September 14 and
 13 all taxes and interest imposed pursuant to subdivision (f) THAT
 14 ARE unpaid before March 1 shall be returned as delinquent on
 15 March 1 Taxes delinquent under this subdivision shall be col-
 16 lected pursuant to THE GENERAL PROPERTY TAX ACT, Act No 206 of
 17 the Public Acts of 1893 as amended BEING SECTIONS 211 1 TO
 18 2 1 157 OF THE MICHIGAN COMPILED LAWS

19 (f) Interest shall be added to taxes collected after
 20 September 14 at ~~that~~ THE rate imposed by section 59 of Act No
 21 206 of the Public Acts of 1893 being section 211 59 of the
 22 Michigan Compiled Laws on delinquent property tax levies ~~which~~
 23 THAT became a lien in the same year

24 (g) All or a portion of fees or charges, or both, authorized
 25 under section 44 of Act No 206 of the Public Acts of 1893
 26 being section 211 44 of the Michigan Compiled Laws may be
 27 imposed on taxes paid before March 1 and shall be retained by the

1 treasurer actually performing the collection of the summer
 2 property tax levy of the school district or intermediate school
 3 district, regardless of whether all or part of these fees or
 4 charges, or both, have been waived by the township or city

5 (5) An agreement for the collection of a summer property tax
 6 levy of a school district or intermediate school district with a
 7 county treasurer shall include a schedule for delivering collec-
 8 tions to the school district or intermediate school district

9 (6) To the extent applicable and consistent with the
 10 requirements of this section ~~the provisions of~~ Act No 206 of
 11 the Public Acts of 1893 ~~shall apply~~ APPLIES to proceedings in
 12 relation to the assessment spreading, and collection of taxes
 13 pursuant to this section Additionally, in relation to the
 14 assessment spreading and collection of taxes pursuant to this
 15 section the county treasurer or if the district is collecting
 16 its own summer property tax levy, the treasurer of the school
 17 district or intermediate school district ~~shall have~~ HAS powers
 18 and duties similar to those prescribed by Act No 206 of the
 19 Public Acts of 1893 — for township supervisors township
 20 clerks and township treasurers However this section ~~shall~~
 21 DOES not ~~be considered to~~ transfer any authority over the
 22 assessment of property

23 (7) If a county treasurer or the treasurer of a school dis-
 24 trict or intermediate school district collects the summer prop-
 25 erty tax levy of the district the township or city shall deliver
 26 by June 1 a certified copy of the assessment roll containing
 27 state equalized valuations for each parcel of taxable property in

1 the township or city to the treasurer collecting the summer
 2 property tax levy of the school district or intermediate school
 3 district The county treasurer or the treasurer of a school dis-
 4 trict or intermediate school district receiving this certified
 5 copy of the assessment roll shall remit the necessary cost inci-
 6 dent to the reproduction of the assessment roll to the township
 7 or city

8 (8) A county treasurer or treasurer of a school district or
 9 intermediate school district collecting taxes pursuant to this
 10 section shall be bonded for tax collection in the same amount and
 11 in the same manner as a township treasurer would be for undertak-
 12 ing the duties prescribed by this section

13 (9) An agreement for the collection of a summer property tax
 14 levy between a school district or intermediate school district
 15 and a county may cover summer collections for 2 years If an
 16 agreement covers summer collections for 2 years the resolution
 17 and request required by subsection (1) the notice required by
 18 subsection ~~(2)~~ (1) and the option to reconsider provided by
 19 subsection (3) ~~shall~~ DO not apply for summer collections in the
 20 second year

21 (10) If collections are made pursuant to this section by a
 22 county treasurer or by the treasurer of a school district or
 23 intermediate school district all payments from a school district
 24 or intermediate school district for collecting its summer prop-
 25 erty tax levy and all revenues generated from collection fees
 26 shall be deposited when received or collected in a current
 27 school tax collection fund which fund shall be used by the

1 county treasurer or treasurer of the school district or
 2 intermediate school district to pay for the cost of collecting
 3 the district s summer property tax levy The current school tax
 4 collection fund shall be segregated from all other funds and once
 5 the current school tax collection fund has been established money
 6 shall not be withdrawn except upon an order check or draft of
 7 the collecting treasurer for the purpose of paying 1 or more of
 8 the following costs

9 (a) The cost of special deputy treasurers and equipment
 10 directly involved in the collection of current property taxes

11 (b) The cost of all services determined necessary by the
 12 collecting treasurer to collect the summer property tax levy of
 13 the school district or intermediate school district

14 (c) The contract payments to any person, firm or corpora-
 15 tion employed by the collecting treasurer to assist in the col-
 16 lection of the current property taxes

17 (11) All surplus money in a current school tax collection
 18 fund shall be invested by the collecting treasurer in any invest-
 19 ment authorized by Act No 20 of the Public Acts of 1943 being
 20 sections 129 91 to ~~+29-93-~~ 129 94 of the Michigan Compiled
 21 Laws The county treasurer and the treasurer of a school dis-
 22 trict or intermediate school district shall publish ~~—~~ on March
 23 1 of the year after the treasurer first collects the summer prop-
 24 erty tax levy of a school district or intermediate school dis-
 25 trict and each year thereafter — an annual report on the status
 26 of the fund for the ~~last~~ IMMEDIATELY PRECEDING year ending

1 December 31 The report shall show the total charges expenses,
2 and year-end surplus

3 (12) Money in the current school tax collection fund shall
4 not be transferred to the general fund of the county school dis-
5 trict or intermediate school district or made the subject of
6 appropriation by the county school district or intermediate
7 school district Any surplus in a current school tax collection
8 fund shall be used by the county treasurer school district trea-
9 surer or intermediate school district treasurer to reduce the
10 following costs for the next summer property tax levy of a school
11 district or intermediate school district that is collected by the
12 county treasurer school district treasurer or intermediate
13 school district treasurer

14 (a) The costs of collection in excess of fees and charges
15 incurred or paid pursuant to subsection (4)(b)

16 (b) The fees and charges imposed pursuant to subsection
17 (4)(g)

18 (13) A city treasurer township treasurer county treasurer
19 school district treasurer or intermediate school district trea-
20 surer that collects pursuant to this section section 1611 or
21 section 1612 the summer property tax levy of a school district or
22 intermediate school district against property eligible for a
23 deferral of summer property taxes under section 51 of Act No
24 206 of the Public Acts of 1893, being section 211 51 of the
25 Michigan Compiled Laws and if not otherwise eligible for defer-
26 ral ~~thereunder~~ UNDER THAT SECTION against property classified
27 as agricultural real property if the gross receipts of the

1 agricultural or horticultural operations in the ~~previous~~
2 IMMEDIATELY PRECEDING year or the average gross receipts of such
3 operations in the ~~previous~~ IMMEDIATELY PRECEDING 3 years are
4 not less than the household income of the owner in the ~~previous~~
5 IMMEDIATELY PRECEDING year shall defer the collection of these
6 summer property taxes without penalty or interest until the fol-
7 lowing February 15 upon a filing by the taxpayer of an intent to
8 defer with the property tax collecting treasurer in the same
9 manner as provided by section 51 of Act No 206 of the Public
10 Acts of 1893 The treasurer of a city, township school dis-
11 trict intermediate school district or county who collects the
12 summer property tax levy of a school district or intermediate
13 school district also shall comply with the publication and
14 assistance requirements of section 51 of Act No 206 of the
15 Public Acts of 1893 — with respect to property eligible for a
16 deferral under this subsection