



HOUSE BILL No. 5877

November 10 1994, Introduced by Rep Willard and referred to the Committee on Taxation

A bill to amend sections 24c and 44 of Act No 206 of the Public Acts of 1893 entitled as amended

The general property tax act
section 24c as amended by Act No 237 of the Public Acts of 1994
and section 44 as amended by Act No 124 of the Public Acts of
1989 being sections 211 24c and 211 44 of the Michigan Compiled
Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Sections 24c and 44 of Act No 206 of the Public
2 Acts of 1893 section 24c as amended by Act No 237 of the Public
3 Acts of 1994 and section 44 as amended by Act No 124 of the
4 Public Acts of 1989 being sections 211 24c and 211 44 of the
5 Michigan Compiled Laws are amended to read as follows

6 Sec 24c (1) The assessor shall give to each owner or
7 person or persons listed on the assessment roll of the property a

1 notice by first class mail of an increase in the assessment for
2 the year the notice shall specify each parcel of property the
3 assessed valuation for the year and the immediately preceding
4 year and the time and place of the meeting of the board of
5 review The notice also may specify the net change in
6 assessment

7 (2) Except as provided by subsection (4), the notice shall
8 include in addition to the information required by subsection
9 (1) all of the following

10 (a) The state equalized valuation for the immediately pre-
11 ceding year

12 (b) The tentative equalized valuation for the year

13 (c) The net change between the tentative equalized valuation
14 for the year and the state equalized valuation for the previous
15 year

16 (d) The classification of the property as defined by section
17 34c

18 (3) When required by the income tax act of 1967 Act No
19 281 of the Public Acts of 1967 as amended, being sections 206 1
20 to 206 532 of the Michigan Compiled Laws the assessment notice
21 shall include or be accompanied by information or forms pre-
22 scribed by Act No 281 of the Public Acts of 1967 as amended

23 (4) The following apply to all assessment notices

24 (a) If the tentative equalization multiplier is 1 0 for all
25 classes of property the assessment notice may exclude the infor-
26 mation required by subsection (2)(b) and (c) and instead specify

1 the assessed valuation for the year as both the assessed
2 valuation and tentative equalized valuation for the year

3 (b) If the equalization multiplier for the immediately pre-
4 ceding year was 1 0 for all classes of property, the assessment
5 notice may exclude the information required by subsection (2)(a)
6 and instead specify the assessed valuation for the immediately
7 preceding year as both the assessed valuation and state equalized
8 valuation of the property for the immediately preceding year

9 (5) The assessment notice shall be addressed to the owner
10 according to the records of the assessor and mailed not less than
11 10 days before the meeting of the board of review The failure
12 to send or receive an assessment notice does not invalidate an
13 assessment roll or an assessment on that property

14 (6) The tentative equalized valuation shall be calculated by
15 multiplying the assessment by the tentative equalized valuation
16 multiplier If the assessor has made assessment adjustments that
17 would have changed the tentative multiplier the assessor may
18 recalculate the multiplier for use in the notice

19 (7) The state tax commission shall prepare a model assess-
20 ment notice form that shall be made available to local units of
21 government BEGINNING IN 1995 THE MODEL ASSESSMENT NOTICE SHALL
22 BE CONSISTENT WITH SUBSECTIONS (8) AND (9)

23 (8) Beginning in 1995 the assessment notice under subsec-
24 tion (1) shall include the following statement

25 If you purchased your homestead after May 1 last
26 year to claim the homestead exemption if you have

1 not already done so you are required to file an
2 affidavit before May 1

3 (9) BEGINNING IN 1995 THE ASSESSMENT NOTICE UNDER SUBSEC-
4 TION (1) SHALL INCLUDE A STATEMENT ADVISING THE TAXPAYER THAT
5 UNDER STATE LAW AN ASSESSOR MAY NOT CONSIDER THE INCREASE IN
6 TRUE CASH VALUE THAT IS THE RESULT OF EXPENDITURES FOR NORMAL
7 REPAIRS REPLACEMENT AND MAINTENANCE MADE OR COMPLETED AFTER
8 DECEMBER 30 1976 IN DETERMINING THE TRUE CASH VALUE OF PROPERTY
9 FOR ASSESSMENT PURPOSES UNTIL THE PROPERTY IS SOLD AND THAT THE
10 TAXPAYER MAY OBTAIN FROM THE ASSESSOR S OFFICE AT NO CHARGE A
11 LIST OF REPAIRS THAT ARE CONSIDERED NORMAL MAINTENANCE UPON
12 REQUEST AN ASSESSOR SHALL PROVIDE TO A TAXPAYER OR TAXPAYER S
13 DESIGNATED AGENT WITHOUT CHARGE A LIST OF THE REPAIRS THAT ARE
14 CONSIDERED UNDER SECTION 27 TO BE NORMAL MAINTENANCE IF NOT PART
15 OF A STRUCTURAL ADDITION OR COMPLETION THE DEPARTMENT OF TREA-
16 SURY SHALL PREPARE AND PROVIDE TO AN ASSESSOR WITHOUT CHARGE A
17 LIST OF THOSE REPAIRS FOR THE PURPOSES OF THIS SUBSECTION

18 Sec 44 (1) Upon receipt of the tax roll the township
19 treasurer or other collector shall proceed to collect the taxes
20 The township treasurer or other collector shall mail to each tax-
21 payer at the taxpayer s last known address on the tax roll or to
22 the taxpayer s designated agent a statement showing the descrip-
23 tion of the property against which the tax is levied the
24 assessed valuation of the property and the amount of the tax on
25 the property The tax statement shall set forth the state equal-
26 ized valuation If a tax statement is mailed to the taxpayer a
27 tax statement sent to a taxpayer s designated agent may be in a

1 summary form or may be in an electronic data processing format
2 If the tax statement information is provided to both a taxpayer
3 and the taxpayer's designated agent the tax statement mailed to
4 the taxpayer may be identified as an informational copy A town-
5 ship treasurer or other collector electing to send a tax state-
6 ment to a taxpayer's designated agent or electing not to include
7 an itemization in the manner described in subsection ~~(9)(c)~~
8 (10)(C) in a tax statement mailed to the taxpayer shall upon
9 request mail a detailed copy of the tax statement including an
10 itemization of the amount of tax in the manner described by sub-
11 section ~~(9)(c)~~ (10)(C), to the taxpayer without charge as pre-
12 viously required by this section

13 (2) The expense of preparing and mailing the statement shall
14 be paid from the county township city or village funds
15 Failure to send or receive the notice ~~shall~~ DOES not prejudice
16 the right to collect or enforce the payment of the tax The
17 township treasurer shall remain in the office of the township
18 treasurer at some convenient place in the township on each Friday
19 in the month of December from 9 a m to 5 p m to receive taxes
20 but shall receive taxes upon a weekday when they are offered
21 However, if a Friday in the month of December is Christmas eve
22 Christmas day New Year's eve or a day designated by the town-
23 ship as a holiday for township employees the township treasurer
24 ~~shall~~ IS not ~~be~~ required to remain in the office of the town-
25 ship treasurer on that Friday but shall remain in the office of
26 the township treasurer at some convenient place in the township
27 from 9 a m to 5 p m on the day most immediately preceding that

1 Friday/ which day is not Christmas eve Christmas day New Year's
 2 eve or a day designated by the township as a holiday for town-
 3 ship employees to receive taxes

4 (3) Except as provided by subsection (7) on a sum volun-
 5 tarily paid before February 15 of the succeeding year the local
 6 property tax collecting unit shall add 1% for a property tax
 7 administration fee However unless otherwise provided for by an
 8 agreement between the assessing unit and the collecting unit if
 9 a local property tax collecting unit other than a village does
 10 not also serve as the local assessing unit the excess of the
 11 amount of property tax administration fees over the expense to
 12 the local property tax collecting unit in collecting the taxes
 13 but not less than 80% of the fee imposed shall be returned to
 14 the local assessing unit A property tax administration fee is
 15 defined as a fee to offset costs incurred by a collecting unit in
 16 assessing property values collecting the property tax levies
 17 and in the review and appeal processes The costs of any
 18 appeals in excess of funds available from the property tax
 19 administration fee may be shared by any taxing unit only if
 20 approved by the governing body of the taxing unit Except as
 21 provided by subsection (7) on all taxes paid after February 14
 22 and before March 1 the governing body of a city or township may
 23 authorize the treasurer to add to the tax a property tax adminis-
 24 tration fee to the extent imposed on taxes paid before February
 25 15 and a late penalty charge equal to 3% of the tax Interest
 26 from February 15 to the last day of February on a summer property
 27 tax that has been deferred pursuant to section 51 or any late

1 penalty charge may be waived by the governing body of a city or
2 township for the homestead property of a senior citizen paraple-
3 gic quadriplegic eligible serviceperson eligible veteran eli-
4 gible widow or widower totally and permanently disabled person
5 or blind person, as those persons are defined in chapter 9 of the
6 income tax act of 1967 Act No 281 of the Public Acts of 1967
7 as amended being sections 206 501 to 206 532 of the Michigan
8 Compiled Laws if the person makes a claim before February 15 for
9 a credit for that property provided by chapter 9 of Act No 281
10 of the Public Acts of 1967 as amended, if the person presents a
11 copy of the form filed for that credit to the local treasurer
12 and if the person has not received the credit before
13 February 15 Interest from February 15 to the last day of
14 February on a summer property tax that has been deferred under
15 section 51 or any late penalty charge may be waived by the gov-
16 erning body of a city or township for the property of a person —
17 ~~which~~ IF THE property is subject to a farmland development
18 rights agreement recorded with the register of deeds of the
19 county in which the property is situated as provided in section 5
20 of the farmland and open space preservation act Act No 116 of
21 the Public Acts of 1974 being section 554 705 of the Michigan
22 Compiled Laws AND if the person presents a copy of the develop-
23 ment rights agreement or verification that the property is
24 subject to a development rights agreement before February 15 A
25 4 county property tax administration fee a property tax admin-
26 istration fee to the extent imposed on and is authorized pursuant
27 to subsection (7) for taxes paid before March 1 and interest on

1 the tax at the rate of 1 per month shall be added to taxes
2 collected by the township or city treasurer after the last day of
3 February and before settlement with the county treasurer which
4 payment shall be treated as though collected by the county
5 treasurer If the statements required to be mailed by this sec-
6 tion are not mailed before December 31 the treasurer shall not
7 impose a late penalty charge with respect to taxes collected
8 after February 14

9 (4) The governing body of a local property tax collecting
10 unit may waive all or part of the property tax administration fee
11 or the late penalty charge or both A property tax administra-
12 tion fee collected by the township treasurer shall be used only
13 for the purposes for which it may be collected as specified by
14 subsection (3) and this subsection When the bond of the trea-
15 surer as provided in section 43 is furnished by a surety com-
16 pany the cost of the bond may be paid by the township from the
17 property tax administration fee

18 (5) If apprehensive of the loss of personal tax assessed
19 upon the roll the township treasurer may enforce collection of
20 the tax at any time and if compelled to seize property or bring
21 an action in December may add if authorized pursuant to
22 subsection (7) 1 for a property tax administration fee and 3
23 for a late penalty charge

24 (6) Along with taxes returned delinquent to a county trea-
25 surer pursuant to section 55 the amount of the 1 property tax
26 administration fee prescribed by subsection (3) that is imposed
27 and not paid shall be included in the return of delinquent taxes

1 and when delinquent taxes are distributed by the county
2 treasurer pursuant to this act the delinquent 1/2 property tax
3 administration fee shall be distributed to the treasurer of the
4 local unit who transmitted the statement of taxes returned as
5 delinquent Interest imposed upon delinquent property taxes pur-
6 suant to this act shall also be imposed upon the 1/2 property tax
7 administration fee and for purposes of this act other than to
8 which local unit the county treasurer shall distribute a delin-
9 quent 1/2 property tax administration fee, any reference to delin-
10 quent taxes shall be considered to include the 1/2 property tax
11 administration fee returned as delinquent for the same property
12 This subsection ~~shall apply~~ APPLIES to property tax administra-
13 tion fees imposed upon property taxes that become a lien in 1983
14 or any year thereafter

15 (7) For levies that become a lien in 1983 or any year there-
16 after the local property tax collecting treasurer shall not
17 impose a property tax administration fee collection fee or any
18 type of late penalty charge authorized by law or charter unless
19 the governing body of the local property tax collecting unit
20 approves by resolution or ordinance adopted after
21 December 31 1982 an authorization for the imposition of a prop-
22 erty tax administration fee collection fee or any type of late
23 penalty charge provided for by this section or by charter which
24 authorization shall be valid for all levies that become a lien
25 after the resolution or ordinance is adopted However unless
26 otherwise provided for by an agreement between the assessing unit
27 and the collecting unit a local property tax collecting unit

1 that does not also serve as the assessing unit shall impose a
2 property tax administration fee on each parcel at a rate equal to
3 the rate of the fee imposed for city or township taxes on that
4 parcel

5 (8) The annual statement required by Act No 125 of the
6 Public Acts of 1966 being sections 565 161 to ~~565 163~~ 565 164
7 of the Michigan Compiled Laws or a monthly billing form or mort-
8 gage passbook provided in lieu of that annual statement shall
9 include a statement to the effect that a taxpayer who has not
10 been mailed the tax statement or a copy of the tax statement by
11 the township treasurer or other collector shall receive upon
12 request and without charge a copy of the tax statement from the
13 township treasurer or other collector or if the tax statement
14 has been mailed to the taxpayer's designated agent from either
15 the taxpayer's designated agent or the township treasurer or
16 other collector A designated agent who is subject to Act
17 No 125 of the Public Acts of 1966 and who has been mailed the
18 tax statement for taxes that became a lien in the calendar year
19 immediately preceding the year in which the annual statement may
20 be required to be furnished shall mail, upon the request of and
21 without charge to a taxpayer who has not been mailed that tax
22 statement or a copy of that tax statement, a copy of that tax
23 statement to that taxpayer

24 (9) BEGINNING IN 1995 A TAX STATEMENT MAILED TO A TAXPAYER
25 UNDER SUBSECTION (1) SHALL INCLUDE A STATEMENT ADVISING THE TAX-
26 PAYER THAT UNDER STATE LAW AN ASSESSOR MAY NOT CONSIDER THE
27 INCREASE IN TRUE CASH VALUE THAT IS THE RESULT OF EXPENDITURES

1 FOR NORMAL REPAIRS REPLACEMENT AND MAINTENANCE MADE OR
2 COMPLETED AFTER DECEMBER 30 1976 IN DETERMINING THE TRUE CASH
3 VALUE OF PROPERTY FOR ASSESSMENT PURPOSES UNTIL THE PROPERTY IS
4 SOLD AND THAT THE TAXPAYER MAY OBTAIN FROM THE ASSESSOR'S OFFICE
5 AT NO CHARGE A LIST OF REPAIRS THAT ARE CONSIDERED NORMAL
6 MAINTENANCE UPON REQUEST AN ASSESSOR SHALL PROVIDE TO A TAX-
7 PAYER OR TAXPAYER'S DESIGNATED AGENT WITHOUT CHARGE A LIST OF THE
8 REPAIRS THAT ARE CONSIDERED UNDER SECTION 27 TO BE NORMAL MAINTENANCE
9 IF NOT PART OF A STRUCTURAL ADDITION OR COMPLETION THE
10 DEPARTMENT OF TREASURY SHALL PREPARE AND PROVIDE TO AN ASSESSOR
11 WITHOUT CHARGE A LIST OF THOSE REPAIRS FOR THE PURPOSES OF THIS
12 SUBSECTION

13 (10) ~~(9)~~ As used in this section

14 (a) Designated agent means an individual partnership
15 association corporation receiver estate trust or other legal
16 entity that has entered into an escrow account agreement or other
17 agreement with the taxpayer which agreement obligates that indi-
18 vidual or legal entity to pay the property taxes for the taxpayer
19 or if an agreement has not been entered into that has been des-
20 ignated by the taxpayer on a form made available to the taxpayer
21 by the township treasurer and filed with that treasurer The
22 designation by the taxpayer shall remain in effect until revoked
23 by the taxpayer in a writing filed with the township treasurer
24 The form made available by the township treasurer shall include a
25 statement that submission of the form allows the treasurer to
26 mail the tax statement to the designated agent instead of to the
27 taxpayer and a statement notifying the taxpayer of his or her

1 right to revoke the designation by a writing filed with the
2 township treasurer

3 (b) Taxpayer means the owner of the property upon which
4 the tax is imposed

5 (c) When describing in subsection (1) that the amount of tax
6 on the property must be shown in the tax statement amount of
7 tax means an itemization by dollar amount of each of the several
8 ad valorem property taxes and special assessments that a person
9 may pay pursuant to section 53 and an itemization by millage
10 rate, on either the tax statement or a separate form accompanying
11 the tax statement of each of the several ad valorem property
12 taxes that a person may pay pursuant to section 53 The township
13 treasurer or other collector may replace the itemization
14 described in this subdivision with a statement informing the tax-
15 payer that the itemization of the dollar amount and millage rate
16 of the taxes is available without charge from the local property
17 tax collecting unit This subdivision ~~shall~~ DOES not apply for
18 tax statements for taxes that become a lien in 1983