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SFA**BILL ANALYSIS**

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Senate Bill 453 (as introduced 3-23-99)
Sponsor: Senator William Van Regenmorter
Committee: Finance

Date Completed: 4-11-00

CONTENT

The bill would amend the General Property Tax Act to allow the property tax administration fee to be based on a fixed fee per parcel, and to be assessed at a rate less than 1%.

Under the Act, local collecting units levy a property tax administration fee to offset the costs incurred by a collecting unit in assessing property values, collecting the property tax, and conducting the review and appeal processes. The Act requires a local unit to add to a tax bill a property tax administration fee of 1% of the amount of the tax bill. The bill provides that a local unit would have to add a property tax administration fee of either not more than 1% of the total tax bill, or a fixed per parcel fee of not more than 1% of the total tax bill.

MCL 211.44

Legislative Analyst: G. Towne

FISCAL IMPACT

This bill would have no fiscal impact on State government, but there would be a fiscal impact on each local unit of government that would choose to reduce its property tax administration fee. The total fiscal impact of this bill cannot be estimated, because there is no way of knowing how many property tax collecting local units would choose to lower their administration fee, and for those that would choose to do so, it is not known by how much they would lower their fee.

Fiscal Analyst: J. Wortley

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