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## BILL ANALYSIS



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Senate Bill 700 (as introduced 9-16-03)  
Sponsor: Senator Patricia L. Birkholz  
Committee: Finance

Date Completed: 10-29-03

**CONTENT**

**The bill would amend the General Property Tax Act to require the City of Detroit to collect real and personal property taxes levied after December 31, 2003, by all taxing jurisdictions authorized to levy property tax in the city; and require the city treasurer to return all uncollected delinquent real property taxes to the Wayne County treasurer for collection.**

For taxes levied after December 31, 2003, the bill would require the city to prepare and submit to each taxpayer a statement indicating the amount of tax levied on real and personal property by all taxing jurisdictions authorized to levy a general ad valorem property tax in the city; and to collect those taxes. This requirement would apply notwithstanding any county or city charter provision to the contrary.

Currently, the Detroit city treasurer must return uncollected delinquent State education taxes to Wayne County for collection. (The State education tax is the six-mill State tax levied on residential and commercial property.) The bill would require the Detroit city treasurer to return all uncollected delinquent taxes levied on real property after December 31, 2002. As currently required, the delinquent taxes would have to be returned on March 1 immediately following the year in which they were levied.

MCL 211.89a et al.

Legislative Analyst: George Towne

**FISCAL IMPACT**

The bill would have no effect on State tax revenues but would reduce School Aid Fund expenditures by an unknown amount. The bill also would increase local unit revenues to Wayne County, the City of Detroit, and the Detroit Public Schools. Under the assumption that Wayne County would improve upon the amount of revenue successfully collected from delinquent property taxes, the local units involved would receive more revenue. School Aid Fund expenditures would decline because, as property tax revenues to the Detroit public school district increased, the State would have to provide less money to bring total funding up to the per-pupil allowance.

This estimate is preliminary and will be revised as new information becomes available.

Fiscal Analyst: David Zin

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