

SUBSTITUTE FOR
SENATE BILL NO. 1105

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 2153 and 2154 (MCL 324.2153 and 324.2154),
as added by 1995 PA 60.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2153. (1) ~~The valuation of lands described in section~~
2 ~~2152, for the purposes of this subpart, shall be fixed by the~~
3 ~~state tax commission on or~~ **For purposes of this subpart, the**
4 **state tax commission shall determine the valuation of real**
5 **property described in section 2152 before February 1 of each**
6 **year. —, and the state tax commission shall, on or before** ~~The~~
7 **state tax commission shall determine the valuation of real**
8 **property as provided in subsection (7).**

9 (2) **Not later than February 15 of each year, the state tax**
10 **commission shall make a report to the assessing districts of**

1 ~~the~~ **this** state in which the ~~lands are~~ **real property is**
2 located, giving a description of the ~~land~~ **real property** in the
3 assessing district held by the state ~~with~~ **and** the valuation as
4 fixed by the state tax commission **pursuant to subsection (7)**.

5 ~~The~~

6 **(3) Except as otherwise provided in subsection (7), the state**
7 tax commission shall furnish a ~~value~~ **valuation** to the assessing
8 officers that shall be at the same value as other **real property**
9 is assessed in the assessment district. In fixing the valuation,
10 the state tax commission shall not include improvements made to
11 or placed upon ~~such lands~~ **that real property**.

12 **(4) Upon receipt of the ~~report by~~ valuation under**
13 **subsection (3), the assessing officer ~~, he or she~~ shall enter**
14 upon the assessment rolls of each municipality or assessing
15 district the respective descriptions of the ~~lands with~~ **real**
16 **property and** the fixed ~~value~~ **valuation** and, **except as otherwise**
17 **provided in subsection (5), shall assess ~~such lands~~ that real**
18 **property** for the purposes of this subpart at the same rate as
19 other real property in the assessing district. ~~, except that~~
20 ~~adjustment to~~ **A local taxing unit may by resolution permanently**
21 **exempt that real property from any tax levied by that local**
22 **taxing unit. As used in this subsection, "local taxing unit"**
23 **means a city, village, township, county, school district,**
24 **intermediate school district, community college, authority, or**
25 **any other entity authorized by law to levy a tax on real**
26 **property.**

27 **(5) Except as limited in subsection (6) and as otherwise**

1 provided in subsection (7), the assessing officer may adjust the
 2 ~~value certified~~ valuation determined by the state tax
 3 commission. ~~may be made by the assessing officer to reflect any~~
 4 general adjustment of assessed valuation from the prior year that
 5 is not included in the state tax commission computation. If an
 6 adjustment to the ~~value~~ valuation certified by the state tax
 7 commission is made, the assessing officer shall certify all of
 8 the following to the department, not later than the first
 9 Wednesday after the first Monday in March: ~~the~~

10 (a) The amount and percentage of any general adjustment of
 11 assessed valuation ~~and the~~ of property located in the assessing
 12 district other than property described in section 2152.

13 (b) The amount and percentage of any change in the assessment
 14 roll. ~~the~~

15 (c) The relation of the total valuation to that reported by
 16 the state tax commission. ~~and the~~

17 (d) The adjusted total of conservation land.

18 (6) The following shall not be included in an adjustment
 19 under subsection (5):

20 (a) Any general adjustment of assessed valuation of property
 21 located in the assessing district.

22 (b) Assessments for special improvements. ~~shall not be~~
 23 included.

24 (c) Any millage in excess of the millage rate levied in
 25 2003.

26 (d) The tax levied under the state education tax act, 1993 PA
 27 331, MCL 211.901 to 211.906.

1 (7) Property valuations shall be established as follows:

2 (a) For property valuations established under this subpart in
3 2003, the 2003 valuation shall be the valuation of the property
4 in 2003 and in each of the immediately succeeding 10 years.

5 (b) In 2013 and every 10 years after 2013, the valuation of
6 property shall be adjusted by the average annual increase or
7 decrease in the Detroit consumer price index that occurred during
8 the immediately preceding 10-year period. As used in this
9 subdivision, "Detroit consumer price index" means the most
10 comprehensive index of consumer prices available for the Detroit
11 area from the United States department of labor, bureau of labor
12 statistics.

13 (c) If property is acquired after 2003, the initial property
14 valuation determined under this section shall be the valuation
15 for each subsequent year until the next decennial adjustment
16 under subdivision (b) occurs.

17 Sec. 2154. (1) The treasurer or other officer charged with
18 the collection of taxes for an assessing district shall annually
19 forward a single statement of the assessment of all property for
20 which payment is claimed under this subpart to the Lansing office
21 of the department ~~—, which—~~ at the same time that statements are
22 mailed for a winter property tax levy under section 44 of the
23 general property tax act, 1893 PA 206, MCL 211.44. The statement
24 shall include an itemization of the valuation and assessment for
25 each individual parcel for which payment is claimed under this
26 subpart. The Lansing office of the department shall review the
27 statement. ~~—and—~~ Subject to subsection (2), if the ~~—amount—of~~

1 ~~the~~ assessment has been determined according to this subpart ~~7~~
2 and the total annual amount of all assessments payable to the
3 treasurer or other officer charged with the collection of taxes
4 for an assessing district is more than \$500.00, the Lansing
5 office of the department shall authorize the state treasurer to
6 pay the amount of the assessment by warrant on the state
7 treasury.

8 (2) ~~If the amount of the assessment is not paid within the~~
9 ~~time provided for the payment of property taxes pursuant to the~~
10 ~~general property tax act, Act No. 206 of the Public Acts of 1893,~~
11 ~~being sections 211.1 to 211.157 of the Michigan Compiled Laws,~~
12 ~~interest and penalties may be imposed by the local property tax~~
13 ~~collecting unit in the same manner provided for delinquent~~
14 ~~property taxes in Act No. 206 of the Public Acts of 1893.~~
15 However, interest and penalties shall not be imposed for a tax
16 that is collected in the summer for the first time by a local
17 property tax collecting unit. Beginning in state fiscal year
18 2005, the aggregate amount for all payments to all assessing
19 districts under subsection (1) shall be charged as follows:

20 (a) Payments in state fiscal year 2005 shall be charged as
21 follows:

22 (i) Not more than 50% from the restricted revenue sources of
23 the department of natural resources.

24 (ii) The remaining balance after the charge under
25 subparagraph (i) from the general fund.

26 (b) Payments in state fiscal year 2006 and each state fiscal
27 year after 2006 shall be charged as follows:

1 (i) That portion of the payment that represents an assessment
2 by a local school district, intermediate school district, or
3 community college district shall be charged against the state
4 school aid fund established in section 11 of article IX of the
5 state constitution of 1963.

6 (ii) The balance of any payment remaining after the charge
7 made in subparagraph (i) shall be charged as follows:

8 (A) Not more than 50% from restricted revenue sources of the
9 department of natural resources.

10 (B) The remaining balance after the charge under
11 sub-subparagraph (A), from the general fund.

12 (3) For the 2004 state fiscal year and each state fiscal year
13 after 2004, if the amount available for payment to all local
14 assessing districts from the general fund or from any restricted
15 fund is less than the amount required for payment to all local
16 assessing districts from the general fund or from any restricted
17 fund, the amount available for payment to each local assessing
18 district shall be distributed in the same proportion from the
19 general fund or from any restricted fund that the required
20 payment to that local assessing district is to the total of all
21 required payments from the general fund or from any restricted
22 fund.