

**PROPERTY TAX LIMITATION ACT (EXCERPT)**  
**Act 62 of 1933**

**211.211 County tax allocation board; powers and duties in determining tax rates.**

Sec. 11.

(1) The board shall examine the budgets and statements of local units that are filed with it, and shall determine the tax rates, exclusive of debt service tax rates, that are required pursuant to its proposed budget. The board may request additional statements and examine financial records to verify the tax rate request of a local unit. For the purpose of determining its tax rate, a local unit shall submit a statement accounting for the amount of money contained in the budget stabilization fund. In submitting the budget to the board, the amount contained in the budget stabilization fund shall not be a factor used by the board in determination of the tax rate, if that amount does not exceed the permitted level of funding for that fund as provided by law.

(2) If the board finds that the total of all tax rates that are required to be levied on property located within the area of a local unit does not exceed the net limitation tax rate, the board shall approve the tax rates as maximum tax rates, except tax rates required to be determined under subsections (3) to (8).

(3) If the board finds that the total of all tax rates that are required to be levied on property located within the area of a local unit exceeds the net limitation tax rate, the board shall proceed according to subsections (4), (5), and (6).

(4) The board shall approve minimum tax rates for the county if other than a charter county, of 3 mills; for community college districts organized after April 15, 1957, of 1/4 of 1 mill; for intermediate school districts, 1/10 of 1 mill; for townships other than charter townships, of 1 mill; and to a first-class school district to be collected and paid by the school district to the public library commission existing in the district for services of an educational nature rendered by the library to the residents of that school district, of .64 mills. If the community college district votes to increase the total tax limitation as provided in section 6 of article IX of the state constitution of 1963, the board, during the period the increase is in effect, shall not allocate the 1/4 of 1 mill minimum tax rate to the community college district, but the community college district shall raise all of its tax revenues from the amount of increase so voted. A local unit shall not be allowed a tax rate in excess of what is required pursuant to its proposed budget.

(5) The board shall divide the balance of the net limitation tax rate between all local units after due consideration of the needs of the several local units, the importance to the public of functions of local units that may have to be curtailed, the need of local units for construction or repair of public works, the proposed or accomplished transfer of functions from 1 local unit to others, and other facts or matters concerning the operations of local units that the board considers relevant. A local unit shall not be allowed a tax rate in excess of what is required pursuant to its proposed budget. The board shall approve a maximum limitation tax rate to be levied from the tax rate fixed by section 6 of article IX of the state constitution of 1963 without approval of the voters for each local unit consisting of the minimum tax rate, if any, provided in subsection (4), added to the tax rate determined under this subsection.

(6) The board shall approve a maximum tax rate for each local unit that votes to increase the total tax rate limitation as provided in the last sentence of the first paragraph of section 6 of article IX of the state constitution of 1963, and as provided for in this act. The maximum tax rate for each local unit, with other maximum tax rates that may be levied within the area of the local unit, shall not exceed the limitation voted. In approving a maximum limitation tax rate under subsection (5) for the various local units, the board shall not take into consideration any increase of the tax rate limitation voted by a local unit.

(7) The board shall not approve a tax rate for a local unit that does not submit a budget or statements as required.

(8) The approval by the board of a maximum tax rate for a local unit, which will necessitate a reduction in the total proposed expenditures as listed in the budget of the local unit, shall not be construed as a reduction or elimination of any specific items in the list of proposed expenditures, and the board may not reduce or eliminate those specific items. A local unit, in the budget of which a reduction in the total proposed expenditure is necessitated by the action of the board, or of the state tax commission on an appeal, may revise its budget and amend and alter its tax levy to the extent made necessary by that action. Budgets previously prepared to be met from taxes levied pursuant to this act may likewise be revised.

(9) Beginning in 1994, the number of mills that may be allocated by the board under this section shall be reduced by the number of mills in excess of the mills levied under the state education tax act, Act No. 331 of the Public Acts of 1993, being sections 211.901 to 211.906 of the Michigan Compiled Laws, allocated to a local school district, other than to a first class school district for payment to the public library commission existing in the district, for school district operating purposes in 1993 and the board shall not allocate mills to a local school district for school district operating purposes.

**History:** 1933, Act 62, Imd. Eff. Apr. 25, 1933 ;-- Am. 1934, 1st Ex. Sess., Act 30, Imd. Eff. Mar. 28, 1934 ;-- Am. 1937, Act 40, Imd. Eff. May 13, 1937 ;-- Am. 1945, Act 158, Imd. Eff. May 16, 1945 ;-- Am. 1947, Act 293, Eff. Oct. 11, 1947 ;-- CL 1948, 211.211 ;-- Am. 1952, Act 87, Eff. Sept. 18, 1952 ;-- Am. 1957, Act 155, Eff. Sept. 27, 1957 ;-- Am. 1959, Act 88, Imd. Eff. June 29, 1959 ;-- Am. 1964, Act 278, Eff. Aug. 28, 1964 ;-- Am. 1971, Act 139, Imd. Eff. Sept. 29, 1971 ;-- Am. 1975, Act 102, Imd. Eff. June 3, 1975 ;-- Am. 1978, Act 359, Imd. Eff. July 22, 1978 ;-- Am. 1980, Act 24, Imd. Eff. Mar. 7, 1980 ;-- Am. 1993, Act 314, Eff. Apr. 30, 1994 ;-- Am. 1994, Act 190, Imd. Eff. June 21, 1994