

# HOUSE BILL No. 6073

September 25, 1990, Introduced by Rep. Bryant and referred to the Committee on Taxation.

A bill to amend section 44 of Act No. 206 of the Public Acts of 1893, entitled as amended "The general property tax act," as amended by Act No. 124 of the Public Acts of 1989, being section 211.44 of the Michigan Compiled Laws; and to add section 44a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 44 of Act No. 206 of the Public Acts of  
2 1893, as amended by Act No. 124 of the Public Acts of 1989, being  
3 section 211.44 of the Michigan Compiled Laws, is amended and sec-  
4 tion 44a is added to read as follows:

5 Sec. 44. (1) Upon receipt of the tax roll, the township  
6 treasurer or other collector shall proceed to collect the taxes.  
7 The township treasurer or other collector shall mail to each  
8 taxpayer at the taxpayer's last known address on the tax roll or

1 to the taxpayer's designated agent a statement showing the  
2 description of the property against which the tax is levied, the  
3 assessed valuation of the property, and the amount of the tax on  
4 the property. The tax statement shall set forth the state equal-  
5 ized valuation. If a tax statement is mailed to the taxpayer, a  
6 tax statement sent to a taxpayer's designated agent may be in a  
7 summary form or may be in an electronic data processing format.  
8 If the tax statement information is provided to both a taxpayer  
9 and the taxpayer's designated agent, the tax statement mailed to  
10 the taxpayer may be identified as an informational copy. A town-  
11 ship treasurer or other collector electing to send a tax state-  
12 ment to a taxpayer's designated agent or electing not to include  
13 an itemization in the manner described in subsection (9)(c) in a  
14 tax statement mailed to the taxpayer shall, upon request, mail a  
15 detailed copy of the tax statement, including an itemization of  
16 the amount of tax in the manner described by subsection (9)(c),  
17 to the taxpayer without charge, as previously required by this  
18 section.

19 (2) The expense of preparing and mailing the statement shall  
20 be paid from the county, township, city, or village funds.

21 Failure to send or receive the notice shall not prejudice the  
22 right to collect or enforce the payment of the tax. The township  
23 treasurer shall remain in the office of the township treasurer at  
24 some convenient place in the township on each Friday in the month  
25 of December, from 9 a.m. to 5 p.m. to receive taxes, but shall  
26 receive taxes upon a weekday when they are offered. However, if  
27 a Friday in the month of December is Christmas eve, Christmas

1 day, New Year's eve, or a day designated by the township as a  
2 holiday for township employees, the township treasurer shall not  
3 be required to remain in the office of the township treasurer on  
4 that Friday, but shall remain in the office of the township trea-  
5 surer at some convenient place in the township from 9 a.m. to 5  
6 p.m. on the day most immediately preceding that Friday, which day  
7 is not Christmas eve, Christmas day, New Year's eve, or a day  
8 designated by the township as a holiday for township employees,  
9 to receive taxes.

10 (3) Except as provided by subsection (7), on a sum volun-  
11 tarily paid before February 15 of the succeeding year, the local  
12 property tax collecting unit shall add 1% for a property tax  
13 administration fee. However, unless otherwise provided for by an  
14 agreement between the assessing unit and the collecting unit, if  
15 a local property tax collecting unit other than a village does  
16 not also serve as the local assessing unit, the excess of the  
17 amount of property tax administration fees over the expense to  
18 the local property tax collecting unit in collecting the taxes,  
19 but not less than 80% of the fee imposed, shall be returned to  
20 the local assessing unit. A property tax administration fee is  
21 defined as a fee to offset costs incurred by a collecting unit in  
22 assessing property values, collecting the property tax levies,  
23 and in the review and appeal processes. The costs of any  
24 appeals, in excess of funds available from the property tax  
25 administration fee, may be shared by any taxing unit only if  
26 approved by the governing body of the taxing unit. Except as  
27 provided by subsection (7), on all taxes paid after February 14

1 and before March 1 the governing body of a city or township may  
2 authorize the treasurer to add to the tax a property tax adminis-  
3 tration fee to the extent imposed on taxes paid before February  
4 15 and a late penalty charge equal to 3% of the tax. Interest  
5 from February 15 to the last day of February on a summer property  
6 tax that has been deferred pursuant to section 51 or any late  
7 penalty charge may be waived by the governing body of a city or  
8 township for the homestead property of a senior citizen, paraple-  
9 gic, quadriplegic, eligible serviceperson, eligible veteran, eli-  
10 gible widow or widower, totally and permanently disabled person,  
11 or blind person, as those persons are defined in chapter 9 of the  
12 income tax act of 1967, Act No. 281 of the Public Acts of 1967,  
13 as amended, being sections 206.501 to 206.532 of the Michigan  
14 Compiled Laws, if the person makes a claim before February 15 for  
15 a credit for that property provided by chapter 9 of Act No. 281  
16 of the Public Acts of 1967, as amended, if the person presents a  
17 copy of the form filed for that credit to the local treasurer,  
18 and if the person has not received the credit before  
19 February 15. Interest from February 15 to the last day of  
20 February on a summer property tax that has been deferred under  
21 section 51 or any late penalty charge may be waived by the gov-  
22 erning body of a city or township for the property of a person,  
23 which property is subject to a farmland development rights agree-  
24 ment recorded with the register of deeds of the county in which  
25 the property is situated as provided in section 5 of the farmland  
26 and open space preservation act, Act No. 116 of the Public Acts  
27 of 1974, being section 554.705 of the Michigan Compiled Laws, if

1 the person presents a copy of the development rights agreement or  
2 verification that the property is subject to a development rights  
3 agreement before February 15. A 4% county property tax adminis-  
4 tration fee, a property tax administration fee to the extent  
5 imposed on and if authorized pursuant to subsection (7) for taxes  
6 paid before March 1, and interest on the tax at the rate of 1%  
7 per month shall be added to taxes collected by the township or  
8 city treasurer after the last day of February and before settle-  
9 ment with the county treasurer, which payment shall be treated as  
10 though collected by the county treasurer. If the statements  
11 required to be mailed by this section are not mailed before  
12 December 31, the treasurer shall not impose a late penalty charge  
13 with respect to taxes collected after February 14.

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

23 (5) If apprehensive of the loss of personal tax assessed  
24 upon the roll, the township treasurer may enforce collection of  
25 the tax at any time, and if compelled to seize property or bring  
26 an action in December may add, if authorized pursuant to

1 subsection (7), 1% for a property tax administration fee and 3%  
2 for a late penalty charge.

3       (6) Along with taxes returned delinquent to a county trea-  
4 surer pursuant to section 55, the amount of the 1% property tax  
5 administration fee prescribed by subsection (3) that is imposed  
6 and not paid shall be included in the return of delinquent taxes  
7 and, when delinquent taxes are distributed by the county trea-  
8 surer pursuant to this act, the delinquent 1% property tax admin-  
9 istration fee shall be distributed to the treasurer of the local  
10 unit who transmitted the statement of taxes returned as  
11 delinquent. Interest imposed upon delinquent property taxes pur-  
12 suant to this act shall also be imposed upon the 1% property tax  
13 administration fee and, for purposes of this act other than to  
14 which local unit the county treasurer shall distribute a delin-  
15 quent 1% property tax administration fee, any reference to delin-  
16 quent taxes shall be considered to include the 1% property tax  
17 administration fee returned as delinquent for the same property.  
18 This subsection shall apply to property tax administration fees  
19 imposed upon property taxes that become a lien in 1983 or any  
20 year thereafter.

21       (7) For levies that become a lien in 1983 or any year there-  
22 after, the local property tax collecting treasurer shall not  
23 impose a property tax administration fee, collection fee, or any  
24 type of late penalty charge authorized by law or charter unless  
25 the governing body of the local property tax collecting unit  
26 approves, by resolution or ordinance adopted after  
27 December 31, 1982, an authorization for the imposition of a

1 property tax administration fee, collection fee, or any type of  
2 late penalty charge provided for by this section or by charter,  
3 which authorization shall be valid for all levies that become a  
4 lien after the resolution or ordinance is adopted. However,  
5 unless otherwise provided for by an agreement between the assess-  
6 ing unit and the collecting unit, a local property tax collecting  
7 unit that does not also serve as the assessing unit shall impose  
8 a property tax administration fee on each parcel at a rate equal  
9 to the rate of the fee imposed for city or township taxes on that  
10 parcel.

11 (8) The annual statement required by Act No. 125 of the  
12 Public Acts of 1966, being sections 565.161 to 565.163 of the  
13 Michigan Compiled Laws, or a monthly billing form or mortgagor  
14 passbook provided in lieu of that annual statement shall include  
15 a statement to the effect that a taxpayer who has not been mailed  
16 the tax statement or a copy of the tax statement by the township  
17 treasurer or other collector shall receive, upon request and  
18 without charge, a copy of the tax statement from the township  
19 treasurer or other collector or, if the tax statement has been  
20 mailed to the taxpayer's designated agent, from either the  
21 taxpayer's designated agent or the township treasurer or other  
22 collector. A designated agent who is subject to Act No. 125 of  
23 the Public Acts of 1966 and who has been mailed the tax statement  
24 for taxes that became a lien in the calendar year immediately  
25 preceding the year in which the annual statement may be required  
26 to be furnished shall mail, upon the request of and without  
27 charge to a taxpayer who has not been mailed that tax statement

1 or a copy of that tax statement, a copy of that tax statement to  
2 that taxpayer.

3 (9) As used in this section:

4 (a) "Designated agent" means an individual, partnership,  
5 association, corporation, receiver, estate, trust, or other legal  
6 entity that has entered into an escrow account agreement or other  
7 agreement with the taxpayer which agreement obligates that indi-  
8 vidual or legal entity to pay the property taxes for the taxpayer  
9 or, if an agreement has not been entered into, that has been des-  
10 igned by the taxpayer on a form made available to the taxpayer  
11 by the township treasurer and filed with that treasurer. The  
12 designation by the taxpayer shall remain in effect until revoked  
13 by the taxpayer in a writing filed with the township treasurer.  
14 The form made available by the township treasurer shall include a  
15 statement that submission of the form allows the treasurer to  
16 mail the tax statement to the designated agent instead of to the  
17 taxpayer and a statement notifying the taxpayer of his or her  
18 right to revoke the designation by a writing filed with the town-  
19 ship treasurer.

20 (b) "Taxpayer" means the owner of the property upon which  
21 the tax is imposed.

22 (c) When describing in subsection (1) that the amount of tax  
23 on the property must be shown in the tax statement, "amount of  
24 tax" means an itemization ~~by~~ OF ALL OF THE FOLLOWING:

25 (i) BY dollar amount, ~~of~~ each of the several ad valorem  
26 property taxes and special assessments that a person may pay  
27 pursuant to section 53. ~~and an itemization by~~



1 (ii) BY millage rate, on either the tax statement or a  
2 separate form accompanying the tax statement, ~~of~~ each of the  
3 several ad valorem property taxes that a person may pay pursuant  
4 to section 53.

5 (iii) THE AMOUNT OF CREDIT RECEIVED PURSUANT TO SECTION 44A.  
6 The township treasurer or other collector may replace the item-  
7 ization described in ~~this subdivision~~ SUBSECTION (9)(C) with a  
8 statement informing the taxpayer that the itemization of the  
9 dollar amount and millage rate of the taxes is available without  
10 charge from the local property tax collecting unit. ~~This subdi-~~  
11 ~~vision shall not apply for tax statements for taxes that become a~~  
12 ~~lien in 1983.~~

13 SEC. 44A. (1) SUBJECT TO THE LIMITATIONS UNDER THIS SEC-  
14 TION, THE TREASURER OF THE TAX COLLECTING UNIT SHALL CREDIT  
15 AGAINST THE AD VALOREM PROPERTY TAX IMPOSED ON A HOMESTEAD BY A  
16 LOCAL SCHOOL DISTRICT UNDER THIS ACT THE AMOUNT OF A LOCAL SCHOOL  
17 DISTRICT INCOME TAX PAID BY THE OWNER OF THE HOMESTEAD FOR THAT  
18 LOCAL SCHOOL DISTRICT FOR THE IMMEDIATELY PRECEDING TAX YEAR  
19 UNDER THE LOCAL SCHOOL DISTRICT INCOME TAX ACT, ARTICLE 18 OF THE  
20 STATE SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF  
21 1979, BEING SECTIONS 388.1781 TO 388.1786 OF THE MICHIGAN  
22 COMPILED LAWS. THE AMOUNT CREDITED UNDER THIS SECTION SHALL NOT  
23 EXCEED THE AMOUNT OF THE AD VALOREM PROPERTY TAX IMPOSED ON THE  
24 HOMESTEAD BY THE LOCAL SCHOOL DISTRICT UNDER THIS ACT MINUS THE  
25 AMOUNT THE TAXPAYER RECEIVED AS A CREDIT AGAINST THE STATE INCOME  
26 TAX FOR THE IMMEDIATELY PRECEDING TAX YEAR UNDER SECTIONS 520 AND  
27 522 OF THE INCOME TAX ACT OF 1967, ACT NO. 281 OF THE PUBLIC ACTS

1 OF 1967, BEING SECTIONS 206.520 AND 206.522 OF THE MICHIGAN  
2 COMPILED LAWS.

3 (2) IF THE LOCAL SCHOOL DISTRICT IS NOT ITS OWN TAX COLLECT-  
4 ING UNIT, THE LOCAL SCHOOL DISTRICT SHALL FORWARD TO THE TREA-  
5 SURER OF ITS TAX COLLECTING UNIT THE INFORMATION THE STATE TREA-  
6 SURER SENDS TO THE LOCAL SCHOOL DISTRICT UNDER SECTION 186 OF ACT  
7 NO. 94 OF THE PUBLIC ACTS OF 1979, BEING SECTION 388.1786 OF THE  
8 MICHIGAN COMPILED LAWS. THE TREASURER OF THE TAX COLLECTING UNIT  
9 SHALL NOT CREDIT THE AMOUNT ALLOWED AS A CREDIT UNDER SUBSECTION  
10 (1) AGAINST THE TAX OF A TAXPAYER WHO DOES NOT GIVE WRITTEN PER-  
11 MISSION TO THE STATE TREASURER TO FORWARD INFORMATION AS PROVIDED  
12 UNDER SECTION 186 OF ACT NO. 94 OF THE PUBLIC ACTS OF 1979.

13 Section 2. This amendatory act shall not take effect unless  
14 all of the following bills of the 85th Legislature are enacted  
15 into law:

16 (a) Senate Bill No. \_\_\_\_\_ or House Bill No. 6071  
17 (request no. 03276'89 \*\*).

18 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 6072  
19 (request no. 03276'89 a \*\*).