

# SENATE BILL No. 307

April 12, 1989, Introduced by Senators WELBORN, SHINKLE,  
CROPSEY and GAST and referred to the Committee on Finance.

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. 388 of the Public Acts of 1988, being  
section 211.44 of the Michigan Compiled Laws.

## 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. 388 of the Public Acts of 1988, being  
3       section 211.44 of the Michigan Compiled Laws, is amended to read  
4       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  
9       to the taxpayer's designated agent a statement showing the

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

18 (2) The expense of preparing and mailing the statement shall  
19 be paid from the county, township, city, or village funds.  
20 Failure to send or receive the notice shall not prejudice the  
21 right to collect or enforce the payment of the tax. The township  
22 treasurer shall remain in the office of the township treasurer at  
23 some convenient place in the township on each Friday in the month  
24 of December, from 9 a.m. to 5 p.m. to receive taxes, but shall  
25 receive taxes upon a weekday when they are offered. However, if  
26 a Friday in the month of December is Christmas eve, Christmas  
27 day, New Year's eve, or a day designated by the township as a

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

9       (3) Except as provided by subsection (7), on a sum volun-  
10 tarily paid before February 15 of the succeeding year, the local  
11 property tax collecting unit shall add 1% for a property tax  
12 administration fee. However, if the local property tax collect-  
13 ing unit does not also serve as the local assessing unit, the  
14 excess of the amount of property tax administration fees over the  
15 expense to the local property tax collecting unit in collecting  
16 the taxes, BUT NOT LESS THAN 3/4 OF 1%, shall be returned to the  
17 local assessing unit. A property tax administration fee is  
18 defined as a fee to offset costs incurred by a collecting unit in  
19 assessing property values, collecting the property tax levies,  
20 and in the review and appeal processes. The costs of any  
21 appeals, in excess of funds available from the property tax  
22 administration fee, may be shared by any taxing unit only if  
23 approved by the governing body of the taxing unit. Except as  
24 provided by subsection (7), on all taxes paid after February 14  
25 and before March 1 the governing body of a city or township may  
26 authorize the treasurer to add to the tax a property tax  
27 administration fee to the extent imposed on taxes paid before

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

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

12 (4) The governing body of a local property tax collecting  
13 unit may waive all or part of the property tax administration  
14 fee, WITH THE APPROVAL OF THE GOVERNING BODY OF THE LOCAL ASSESS-  
15 ING UNIT, or the late penalty charge, or both. A property tax  
16 administration fee collected by the township treasurer shall be  
17 used only for the purposes for which it may be collected as spec-  
18 ified by subsection (3) and this subsection. When the bond of  
19 the treasurer, as provided in section 43, is furnished by a  
20 surety company, the cost of the bond may be paid by the township  
21 from the property tax administration fee.

22 (5) If apprehensive of the loss of personal tax assessed  
23 upon the roll, the township treasurer may enforce collection of  
24 the tax at any time, and if compelled to seize property or bring  
25 an action in December may add, if authorized pursuant to  
26 subsection (7), 1% for a property tax administration fee and 3%  
27 for a late penalty charge.

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

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

1 authorization shall be valid for all levies that become a lien  
2 after the resolution or ordinance is adopted.

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

22       (9) As used in this section:

23       (a) "Designated agent" means an individual, partnership,  
24 association, corporation, receiver, estate, trust, or other legal  
25 entity ~~which~~ THAT has entered into an escrow account agreement  
26 or other agreement with the taxpayer which agreement obligates  
27 that individual or legal entity to pay the property taxes for the

1 taxpayer or, if ~~such~~ an agreement has not been entered into,  
2 ~~which~~ THAT has been designated by the taxpayer on a form made  
3 available to the taxpayer by the township treasurer and filed  
4 with ~~such~~ THAT treasurer. The designation by the taxpayer  
5 shall remain in effect until revoked by the taxpayer in a writing  
6 filed with the township treasurer. The form made available by  
7 the township treasurer shall include a statement that submission  
8 of the form allows the treasurer to mail the tax statement to the  
9 designated agent instead of to the taxpayer and a statement noti-  
10 fying the taxpayer of his or her right to revoke the designation  
11 by a writing filed with the township treasurer.

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

14 (c) When describing in subsection (1) that the amount of tax  
15 on the property must be shown in the tax statement, "amount of  
16 tax" means an itemization by dollar amount of each of the several  
17 ad valorem property taxes and special assessments that a person  
18 may pay pursuant to section 53 and an itemization by millage  
19 rate, on either the tax statement or a separate form accompanying  
20 the tax statement, of each of the several ad valorem property  
21 taxes that a person may pay pursuant to section 53. The township  
22 treasurer or other collector may replace the itemization  
23 described in this subdivision with a statement informing the tax-  
24 payer that the itemization of the dollar amount and millage rate  
25 of the taxes is available without charge from the local property  
26 tax collecting unit. This subdivision shall not apply for tax  
27 statements for taxes that become a lien in 1983.