

Senate Fiscal Agency  
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**SFA**

BILL ANALYSIS

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Senate Bill 356 (as passed by the Senate)  
Sponsor: Senator George A. McManus, Jr.  
Committee: Finance

Date Completed: 1-18-02

### **RATIONALE**

Public Act 33 of 1951 allows townships with a population under 15,000 to levy and collect special assessments for police and fire protection. A special assessment becomes due and is collected at the same time as township property taxes are assessed, levied, and collected. In general, townships levy property taxes in December, though some levy taxes in July or split their levy between winter and summer. Some people believe that the Act should specifically allow the collection of a special assessment in July.

### **CONTENT**

The bill would amend Public Act 33 of 1951 to provide that if a township had a July property tax levy, and a special assessment of two mills or less, the assessment could be collected at the same time and in the same manner as the July levy. If the special assessment were more than two mills, it could be collected at the same time and in the same manner as the July levy only if approved by the township electors.

MCL 41.801

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

The bill would make it clear that a township that levied a July property tax could collect a special assessment, of two mills or less, at the same time. This would eliminate any concern that the Act does not permit such collections, and would give townships that had cash flow problems in funding their police or fire service,

assurance that they could collect a special assessment, or part of a special assessment, in July. By requiring a vote of the electors on the collection of a special assessment exceeding two mills, the bill would protect the taxpayers from excessive summer tax collections.

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: D. Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.