

HOUSE BILL No. 5618

January 16, 2008, Introduced by Rep. Sak and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 44a (MCL 211.44a), as amended by 2004 PA 357.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44a. (1) ~~Notwithstanding any other statutory or charter~~
2 ~~provision to the contrary, beginning~~ **BEGINNING** in 2005 and each
3 year after 2005, a county shall impose as a summer property tax
4 levy that portion of the number of mills allocated to the county by
5 a county tax allocation board or authorized for the county through
6 a separate tax limitation vote as provided in this section. The
7 treasurer that collects the state education tax shall collect the
8 summer property tax levy under this section. The portion of the
9 total number of mills allocated to a county by a county tax
10 allocation board or authorized for a county through a separate tax

1 limitation vote that shall be imposed in each year as a summer
2 property tax levy under this section is as follows:

3 (a) In 2005, 1/3 of the total number of mills allocated to the
4 county by a county tax allocation board or authorized for the
5 county through a separate tax limitation vote.

6 (b) In 2006, 2/3 of the total number of mills allocated to the
7 county by a county tax allocation board or authorized for the
8 county through a separate tax limitation vote.

9 (c) In 2007 and each year after 2007, the total number of
10 mills allocated to the county by a county tax allocation board or
11 authorized for the county through a separate tax limitation vote.

12 (2) Before June 30 and in conformance with the procedures
13 prescribed by this act, the taxes being collected as a summer
14 property tax levy shall be spread in terms of millages on the
15 assessment roll, the amount of tax levied shall be assessed in
16 proportion to the taxable value, and a tax roll shall be prepared
17 that commands the appropriate treasurer to collect on July 1 the
18 taxes indicated as due on the tax roll.

19 (3) Taxes authorized to be collected shall become a lien
20 against the property on which assessed, and due from the owner of
21 that property on July 1.

22 (4) All taxes and interest imposed pursuant to this section
23 that are unpaid before March 1 shall be returned as delinquent on
24 March 1 and collected pursuant to this act.

25 (5) Interest shall be added to taxes collected after September
26 14 at that rate imposed by section 78a on delinquent property tax
27 levies that became a lien in the same year. The tax levied under

1 this act that is collected with the city taxes shall be subject to
2 the same penalties, interest, and collection charges as city taxes
3 and shall be returned as delinquent to the county treasurer in the
4 same manner and with the same interest, penalties, and fees as city
5 taxes.

6 (6) All or a portion of the fees or charges, or both,
7 authorized under section 44 may be imposed on taxes paid before
8 March 1 and shall be retained by the treasurer actually performing
9 the collection of the summer property tax levy pursuant to this
10 section, regardless of whether all or part of these fees or
11 charges, or both, have been waived by the township or city.

12 (7) Collections shall be remitted to the county for which the
13 taxes were collected pursuant to section 43.

14 (8) To the extent applicable and consistent with the
15 requirements of this section, this act shall apply to proceedings
16 in relation to the assessment, spreading, and collection of taxes
17 pursuant to this section.

18 (9) Each county shall establish a restricted fund known as the
19 revenue sharing reserve fund. The total amount required to be
20 placed in the revenue sharing reserve fund for each county shall
21 equal the amount of that county's December 2004 property tax levy
22 of the total number of mills allocated to the county by a county
23 tax allocation board or authorized for the county through a
24 separate tax limitation vote and shall be deposited in the revenue
25 sharing reserve fund as provided in this section. Revenues credited
26 to the revenue sharing reserve fund from the December tax levy of a
27 county with a fiscal year ending December 31 shall be accrued to

1 the fiscal year ending in the year of that December property tax
2 levy. Revenue shall be credited to the fund by each county as
3 follows:

4 (a) From the county's December 2004 property tax levy, 1/3 of
5 the total December levy of the total number of mills allocated to
6 the county by a county tax allocation board or authorized for the
7 county through a separate tax limitation vote.

8 (b) From the county's December 2005 property tax levy, 1/2 of
9 the remaining balance required to be deposited in the fund.

10 (c) From the county's December 2006 property tax levy, the
11 balance required to be deposited in the fund.

12 (10) All of the following apply to a revenue sharing reserve
13 fund established under subsection (9):

14 (a) Funds in the revenue sharing reserve fund may not be
15 expended in any fiscal year except as provided in this section.

16 (b) Funds in the revenue sharing reserve fund may be used
17 within a county fiscal year for cash flow purposes at the
18 discretion of the county.

19 (c) Interest earnings on funds deposited in the revenue
20 sharing reserve fund shall be credited to the revenue sharing
21 reserve fund. However, the county is not required to reimburse the
22 revenue sharing reserve fund for a reduction of interest earnings
23 that occurs because funds in the revenue sharing reserve fund were
24 used for cash flow purposes.

25 (d) The revenue sharing reserve fund shall be separately
26 reported in the annual financial report required under section 4 of
27 1919 PA 71, MCL 21.44.

1 (11) For a county fiscal year that ends on December 31, 2004,
2 a county may expend in that fiscal year an amount not to exceed the
3 payments made to that county under the Glenn Steil state revenue
4 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, in
5 October and December 2003 and, if the payment is accrued back to
6 the county's 2003 fiscal year, February 2004.

7 (12) Not later than March 1, 2005, a county that receives a
8 payment in October 2004 as provided in a bill making appropriations
9 to the department of treasury for the 2004-05 fiscal year shall pay
10 the amount of that payment to the state treasurer from the revenue
11 sharing reserve fund. A county that does not make the payment
12 required under this subsection shall not make any expenditures from
13 the fund provided under subsection (13).

14 (13) For each fiscal year of a county that begins after
15 September 30, 2004, a county may expend from the revenue sharing
16 reserve fund an amount not to exceed the total payments made to
17 that county under the Glenn Steil state revenue sharing act of
18 1971, 1971 PA 140, MCL 141.901 to 141.921, in the state fiscal year
19 ending September 30, 2004, adjusted annually by the inflation rate,
20 without regard to any executive orders issued after May 17, 2004.
21 As used in this subsection, "inflation rate" means that term as
22 defined in section 34d.