

# SENATE BILL No. 835

October 17, 2007, Introduced by Senator GILBERT and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 24 (MCL 211.24), as amended by 2002 PA 620.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 24. (1) ~~On~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**  
2           **(2), ON** or before the first Monday in March in each year, the  
3           assessor shall make and complete an assessment roll, upon which he  
4           or she shall set down all of the following:

5           (a) The name and address of every person liable to be taxed in  
6           the local tax collecting unit with a full description of all the  
7           real property liable to be taxed. If the name of the owner or  
8           occupant of any tract or parcel of real property is known, the  
9           assessor shall enter the name and address of the owner or occupant  
10          opposite to the description of the property. If unknown, the real

1 property described upon the roll shall be assessed as "owner  
2 unknown". All contiguous subdivisions of any section that are owned  
3 by 1 person, firm, corporation, or other legal entity and all  
4 unimproved lots in any block that are contiguous and owned by 1  
5 person, firm, corporation, or other legal entity shall be assessed  
6 as 1 parcel, unless demand in writing is made by the owner or  
7 occupant to have each subdivision of the section or each lot  
8 assessed separately. However, failure to assess contiguous parcels  
9 as entires does not invalidate the assessment as made. Each  
10 description shall show as near as possible the number of acres  
11 contained in it, as determined by the assessor. It is not necessary  
12 for the assessment roll to specify the quantity of land comprised  
13 in any town, city, or village lot.

14 (b) The assessor shall estimate, according to his or her best  
15 information and judgment, the true cash value and assessed value of  
16 every parcel of real property and set the assessed value down  
17 opposite the parcel.

18 (c) The assessor shall calculate the tentative taxable value  
19 of every parcel of real property and set that value down opposite  
20 the parcel.

21 (d) The assessor shall determine the percentage of value of  
22 every parcel of real property that is exempt from the tax levied by  
23 a local school district for school operating purposes to the extent  
24 provided under section 1211 of the revised school code, 1976 PA  
25 451, MCL 380.1211, and set that percentage of value down opposite  
26 the parcel.

27 (e) The assessor shall determine the date of the last transfer

1 of ownership of every parcel of real property occurring after  
2 December 31, 1994 and set that date down opposite the parcel.

3 (f) The assessor shall estimate the true cash value of all the  
4 personal property of each person, and set the assessed value and  
5 tentative taxable value down opposite the name of the person. In  
6 determining the property to be assessed and in estimating the value  
7 of that property, the assessor is not bound to follow the  
8 statements of any person, but shall exercise his or her best  
9 judgment. For taxes levied after December 31, 2003, the assessor  
10 shall separately state the assessed value and tentative taxable  
11 value of any leasehold improvements.

12 (g) Property assessed to a person other than the owner shall  
13 be assessed separately from the owner's property and shall show in  
14 what capacity it is assessed to that person, whether as agent,  
15 guardian, or otherwise. Two or more persons not being copartners,  
16 owning personal property in common, may each be assessed severally  
17 for each person's portion. Undivided interests in lands owned by  
18 tenants in common, or joint tenants not being copartners, may be  
19 assessed to the owners.

20 (2) IF THE COMBINED TAXABLE VALUE OF A TAXPAYER'S PERSONAL  
21 PROPERTY CLASSIFIED AS UTILITY PERSONAL PROPERTY UNDER SECTION  
22 34C(3)(E) AND REAL PROPERTY CLASSIFIED AS INDUSTRIAL PERSONAL  
23 PROPERTY UNDER SECTION 34C(2)(D)(ii) IS GREATER THAN \$50,000,000.00,  
24 THE STATE TAX COMMISSION SHALL ASSESS THAT REAL AND PERSONAL  
25 PROPERTY IN THE IMMEDIATELY SUCCEEDING YEAR AND DETERMINE THE  
26 INFORMATION NECESSARY FOR THE ASSESSOR TO PREPARE THE TAX ROLL  
27 UNDER SUBSECTION (1). IF THE STATE TAX COMMISSION ASSESSES REAL AND

1 PERSONAL PROPERTY UNDER THIS SUBSECTION, THE ATTORNEY GENERAL SHALL  
2 DEFEND ANY APPEAL OF THAT ASSESSMENT.

3 (3) ~~(2)~~—The state geologist, or his or her duly authorized  
4 deputy, shall determine, according to his or her best information  
5 and judgment, the true cash value of the metallic mining properties  
6 and mineral rights consisting of metallic resources that are either  
7 producing, developed, or have a known commercial mineral value,  
8 including surface rights and personal property that may be used in  
9 the operation or development of the property assessed, or any  
10 stockpile of ore or mineral stored on the surface. For the purpose  
11 of encouraging the exploration and development of metallic mineral  
12 resources, metallic mineral ore newly discovered or proven in the  
13 ground and not part of the property of an operating mine shall be  
14 exempt from the taxes collected under this act for a maximum period  
15 of 10 years or until the time it becomes part of the property of an  
16 operating mine or it in itself becomes an operating mine. Metallic  
17 mineral ore newly discovered or proven in the ground and part of  
18 the property of an operating mine shall be exempt from taxes  
19 collected under this act until it, in combination with previously  
20 discovered metallic mineral ore of the operating mine, comes into a  
21 10-year recovery period of the mine as determined by the average  
22 normal annual rate of extraction of the mine.

23 (4) ~~(3)~~—An operating mine shall be defined to be an operating  
24 mine as of the date of starting of a shaft, stripping of  
25 overburden, or rehabilitation, or an abandoned or idle mine closed  
26 for not less than 2 years. Ore shall not enjoy more than 10 years'  
27 exemption from taxation. This section does not exempt from the

1 taxes collected under this act ore reserves proven as of April 1,  
2 1947. It is the intent of this act that mineral properties shall be  
3 valued and assessed in the future for ad valorem taxes according to  
4 the formula used in the valuation of mineral properties before the  
5 effective date of this act. It is the intent of this act that no  
6 metallic mineral ore shall be exempt more than 10 years because of  
7 the application of this act and if at any time it becomes evident  
8 that such is the case, the state tax commission shall determine the  
9 value of this untaxed ore and place this valuation on the proper  
10 tax roll. The state geologist shall report his or her determination  
11 of the true cash value of the mineral properties to the state tax  
12 commission on or before February 10 of each year. The state tax  
13 commission shall assess the mineral properties containing 20% or  
14 more of natural iron per ton of ore in conformity and uniformity  
15 with all other property within the assessing district. The state  
16 tax commission shall assess all other metallic mineral properties  
17 at the value certified by the state geologist. The state tax  
18 commission, as early as is practicable before February 20, shall  
19 certify the assessment of the property to the assessor of the  
20 township or city in which the property is situated, who shall for  
21 the mineral properties and mineral rights that are owned separate  
22 from the surface rights on the property assess each to the owner at  
23 the valuation certified to him or her. However, an adjustment to  
24 the value certified by the state tax commission may be made by the  
25 assessor of the township or city to reflect any general adjustment  
26 of assessed valuation from the immediately preceding year not  
27 included in the state tax commission computation. The assessor

1 shall determine the true cash value of the surface rights and  
2 assess the value of the surface rights to the owner. The assessment  
3 upon the metallic mining properties and mineral rights may be  
4 altered from year to year regardless of whether any previous  
5 assessment has been reviewed by the state tax commission. The  
6 assessor or the owner of any interest in the property assessed may  
7 appeal the assessment and valuation of the property as determined  
8 by the board of review to the state tax commission which shall  
9 review the assessment and valuation as provided in section 152.