

# SENATE BILL No. 562

May 12, 2009, Introduced by Senator GILBERT and referred to the Committee on Finance.

A bill to amend 1973 PA 186, entitled  
"Tax tribunal act,"  
by amending sections 31, 32, and 35a (MCL 205.731, 205.732, and  
205.735a), as amended by 2008 PA 125.

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

1       Sec. 31. The tribunal has exclusive and original jurisdiction  
2 over all of the following:

3       (a) A proceeding for direct review of a final decision,  
4 finding, ruling, determination, or order of an agency relating to  
5 assessment, **CLASSIFICATION**, valuation, rates, special assessments,  
6 allocation, or equalization, under the property tax laws of this  
7 state.

8       (b) A proceeding for a refund or redetermination of a tax  
9 levied under the property tax laws of this state.

1 (c) Mediation of a proceeding described in subdivision (a) or  
2 (b) before the tribunal.

3 (d) Certification of a mediator in a tax dispute described in  
4 subdivision (c).

5 (e) Any other proceeding provided by law.

6 Sec. 32. The tribunal's powers include, but are not limited  
7 to, all of the following:

8 (a) Affirming, reversing, modifying, or remanding a final  
9 decision, finding, ruling, determination, or order of an agency.

10 (b) Ordering the payment or refund of taxes in a matter over  
11 which it may acquire jurisdiction.

12 (c) Granting other relief or issuing writs, orders, or  
13 directives that it deems necessary or appropriate in the process of  
14 disposition of a matter over which it may acquire jurisdiction.

15 (d) Promulgating rules for the implementation of this act,  
16 including rules for practice and procedure before the tribunal and  
17 for mediation as provided in section 47, under the administrative  
18 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

19 (e) Mediating a proceeding before the tribunal.

20 (f) Certifying mediators to facilitate claims in the court of  
21 claims and in the tribunal.

22 **(G) IN AN APPEAL OF A FINAL DETERMINATION OF A DISPUTE**  
23 **REGARDING THE CLASSIFICATION OF REAL OR PERSONAL PROPERTY UNDER**  
24 **SECTION 34C(6) OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL**  
25 **211.34C, ORDERING THAT THE LOCAL TAX COLLECTING UNIT IN WHICH THE**  
26 **PROPERTY IS LOCATED SPLIT THE PROPERTY, FOR TAX ASSESSMENT PURPOSES**  
27 **ONLY, INTO 2 OR MORE PARCELS, EACH WITH A SEPARATE PROPERTY TAX**

1 IDENTIFICATION NUMBER AND EACH TO BE ASSESSED SEPARATELY, IF THE  
2 TRIBUNAL DETERMINES THAT SPLITTING THE PROPERTY INTO 2 OR MORE  
3 PARCELS WILL MORE ACCURATELY REFLECT THE USES OF THE PARCELS WITH  
4 THE RESULTING CLASSIFICATIONS.

5 Sec. 35a. (1) The provisions of this section apply to a  
6 proceeding before the tribunal that is commenced after December 31,  
7 2006.

8 (2) A proceeding before the tribunal is original and  
9 independent and is considered de novo.

10 (3) Except as otherwise provided in this section or by law,  
11 for an assessment dispute as to the valuation or exemption of  
12 property, the assessment must be protested before the board of  
13 review before the tribunal acquires jurisdiction of the dispute  
14 under subsection (6).

15 (4) In the 2007 tax year and each tax year after 2007, all of  
16 the following apply:

17 (a) For an assessment dispute as to the valuation or exemption  
18 of property classified under section 34c of the general property  
19 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
20 industrial real property, or developmental real property, the  
21 assessment may be protested before the board of review or appealed  
22 directly to the tribunal without protest before the board of review  
23 as provided in subsection (6).

24 (b) For an assessment dispute as to the valuation or exemption  
25 of property classified under section 34c of the general property  
26 tax act, 1893 PA 206, MCL 211.34c, as commercial personal property,  
27 industrial personal property, or utility personal property, the

1 assessment may be protested before the board of review or appealed  
2 directly to the tribunal without protest before the board of review  
3 as provided in subsection (6), if a statement of assessable  
4 property is filed under section 19 of the general property tax act,  
5 1893 PA 206, MCL 211.19, prior to the commencement of the board of  
6 review for the tax year involved.

7 (c) For an assessment dispute as to the valuation of property  
8 that is subject to taxation under 1974 PA 198, MCL 207.551 to  
9 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651  
10 to 207.668, the enterprise zone act, 1985 PA 224, MCL 125.2101 to  
11 125.2123, the technology park development act, 1984 PA 385, MCL  
12 207.701 to 207.718, the obsolete property rehabilitation act, 2000  
13 PA 146, MCL 125.2781 to 125.2797, the commercial rehabilitation  
14 act, 2005 PA 210, MCL 207.841 to 207.856, or 1953 PA 189, MCL  
15 211.181 to 211.182, the assessment may be protested before the  
16 board of review or appealed directly to the tribunal without  
17 protest before the board of review as provided in subsection (6).  
18 This subdivision does not apply to property that is subject to the  
19 neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to  
20 207.786.

21 (5) For a dispute regarding a determination of a claim of  
22 exemption of a principal residence or qualified agricultural  
23 property for a year in which the July or December board of review  
24 has authority to determine a claim of exemption for a principal  
25 residence or qualified agricultural property, the claim of  
26 exemption shall be presented to either the July or December board  
27 of review before the tribunal acquires jurisdiction of the dispute.

1 For a special assessment dispute, the special assessment shall be  
2 protested at the hearing held for the purpose of confirming the  
3 special assessment roll before the tribunal acquires jurisdiction  
4 of the dispute.

5 (6) The jurisdiction of the tribunal in an assessment dispute  
6 as to property classified under section 34c of the general property  
7 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
8 industrial real property, developmental real property, commercial  
9 personal property, industrial personal property, or utility  
10 personal property is invoked by a party in interest, as petitioner,  
11 filing a written petition on or before May 31 of the tax year  
12 involved. The jurisdiction of the tribunal in an assessment dispute  
13 as to property classified under section 34c of the general property  
14 tax act, 1893 PA 206, MCL 211.34c, as agricultural real property,  
15 residential real property, timber-cutover real property, or  
16 agricultural personal property is invoked by a party in interest,  
17 as petitioner, filing a written petition on or before July 31 of  
18 the tax year involved. In all other matters, the jurisdiction of  
19 the tribunal is invoked by a party in interest, as petitioner,  
20 filing a written petition within 35 days after the final decision,  
21 ruling, or determination. An appeal of a contested tax bill shall  
22 be made within 60 days after mailing by the assessment district  
23 treasurer and the appeal is limited solely to correcting arithmetic  
24 errors or mistakes and is not a basis of appeal as to disputes of  
25 valuation of the property, the property's exempt status, or the  
26 property's equalized value resulting from equalization of its  
27 assessment by the county board of commissioners or the state tax

1 commission. Service of the petition on the respondent shall be by  
2 certified mail. For an assessment dispute, service of the petition  
3 shall be mailed to the assessor of that local tax collecting unit  
4 if the respondent is the local tax collecting unit. Except for  
5 petitions filed under chapter 6, a copy of the petition shall also  
6 be sent to the secretary of the school board in the local school  
7 district in which the property is located and to the clerk of any  
8 county that may be affected.

9 (7) FOR AN APPEAL OF A FINAL DETERMINATION OF A DISPUTE  
10 REGARDING THE CLASSIFICATION OF REAL OR PERSONAL PROPERTY UNDER  
11 SECTION 34C(6) OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL  
12 211.34C, THE FOLLOWING APPLY:

13 (A) THE APPEAL SHALL BE FILED NOT LATER THAN 35 DAYS AFTER THE  
14 STATE TAX COMMISSION RENDERS A FINAL WRITTEN DECISION, WITH A  
15 STATEMENT OF FACTS AND CONCLUSIONS OF LAW.

16 (B) THE TRIBUNAL MAY PERMIT OR DIRECT THAT THE STATE TAX  
17 COMMISSION BE MADE A PARTY IN ANY APPEAL UNDER THIS SUBSECTION.

18 (C) THE TRIBUNAL MAY MAKE A FINAL DECISION BASED ON THE RECORD  
19 AND DOCUMENTS FILED IN THE STATE TAX COMMISSION PROCEEDING OR, IF  
20 THERE IS A GOOD FAITH DISPUTE CONCERNING FACTS NECESSARY TO MAKE A  
21 FINAL DETERMINATION, THE RESIDENTIAL AND SMALL CLAIMS DIVISION MAY  
22 CONDUCT AN EVIDENTIARY HEARING TO RESOLVE THAT DISPUTE.

23 (D) THE TRIBUNAL MAY ORDER THAT THE LOCAL TAX COLLECTING UNIT  
24 IN WHICH THE PROPERTY IS LOCATED SPLIT THE PROPERTY, FOR TAX  
25 ASSESSMENT PURPOSES ONLY, INTO 2 OR MORE PARCELS, EACH WITH A  
26 SEPARATE PROPERTY TAX IDENTIFICATION NUMBER AND EACH TO BE ASSESSED  
27 SEPARATELY, IF THE TRIBUNAL DETERMINES THAT SPLITTING THE PROPERTY

1 INTO 2 OR MORE PARCELS WILL MORE ACCURATELY REFLECT THE USES OF THE  
2 PARCELS WITH THE RESULTING CLASSIFICATIONS.

3 (8) ~~(7)~~—A petition is considered filed on or before the  
4 expiration of the time period provided in this section or by law if  
5 1 or more of the following occur:

6 (a) The petition is postmarked by the United States postal  
7 service on or before the expiration of that time period.

8 (b) The petition is delivered in person on or before the  
9 expiration of that time period.

10 (c) The petition is given to a designated delivery service for  
11 delivery on or before the expiration of that time period and the  
12 petition is delivered by that designated delivery service or, if  
13 the petition is not delivered by that designated delivery service,  
14 the petitioner establishes that the petition was given to that  
15 designated delivery service for delivery on or before the  
16 expiration of that time period.

17 (9) ~~(8)~~—A petition required to be filed by a day during which  
18 the offices of the tribunal are not open for business shall be  
19 filed by the next business day.

20 (10) ~~(9)~~—A petition or answer may be amended at any time by  
21 leave of the tribunal and in compliance with its rules. If a tax  
22 was paid while the determination of the right to the tax is pending  
23 before the tribunal, the taxpayer may amend his or her petition to  
24 seek a refund of that tax.

25 (11) ~~(10)~~—A person or legal entity may appear before the  
26 tribunal in his or her own behalf or may be represented by an  
27 attorney or by any other person.

1           (12) ~~(11)~~As used in this section, "designated delivery  
2 service" means a delivery service provided by a trade or business  
3 that is designated by the tribunal for purposes of this subsection.  
4 The tribunal shall issue a tribunal notice not later than December  
5 31 in each calendar year designating not less than 1 delivery  
6 service for the immediately succeeding calendar year. The tribunal  
7 may designate a delivery service only if the tribunal determines  
8 that the delivery service meets all of the following requirements:

9           (a) Is available to the general public.

10           (b) Is at least as timely and reliable on a regular basis as  
11 the United States postal service.

12           (c) Records electronically to a database kept in the regular  
13 course of business or marks on the petition the date on which the  
14 petition was given to the delivery service for delivery.

15           (d) Any other requirement the tribunal prescribes.

16           Enacting section 1. This amendatory act does not take effect  
17 unless Senate Bill No. 561

18                   of the 95th Legislature is enacted into law.