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House Bill 4436 (as passed by the House)
Sponsor: Representative Joel Johnson
House Committee: Local, Intergovernmental, and Regional Affairs
Senate Committee: Local Government and Elections

Date Completed: 6-6-11

CONTENT

The bill would amend the General Property Tax Act to require a township treasurer's office to remain open to collect summer tax payments; and specify the date on which interest would begin to accumulate on a delinquent property tax levy.

The Act requires a township treasurer to remain in the office from 9 a.m. to 5 p.m. to receive taxes on the following days:

- At least one business day between December 25 and December 31, unless the township has an arrangement with a local financial institution to receive taxes on behalf of the treasurer and forward the payment to the township on the next business day.
- The last day that taxes are due and payable before being returned as delinquent.

(Under the Act, on March 1 in each year, taxes levied in the preceding year that remain unpaid are returned as delinquent for collection. If the last day that taxes are due and payable before being returned as delinquent is a Saturday, Sunday, or legal holiday, the last day taxes are due and payable is the preceding business day, and unpaid taxes must be returned as delinquent on the next business day.)

Under the bill, for the collection of a summer tax levy, the treasurer also would have to remain in the office the last day taxes are due and payable before interest is added under Section 44a.

That section requires interest to be added to taxes collected after September 14 at the rate of 1% per month on delinquent property tax levies that became a lien in the same year. Under the bill, if September 14 were on a Saturday, Sunday, or legal holiday, the last day taxes would be due and payable before interest was added would be the next business day. Interest would have to be added to taxes that remained unpaid on the following business day.

MCL 211.44 & 211.44a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would be expected to have a negligible impact, if any, on local units of government. The bill would have no fiscal impact on State government.

Fiscal Analyst: David 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.