

**SUBSTITUTE FOR
SENATE BILL NO. 322**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 44a (MCL 211.44a), as amended by 2008 PA 498.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44a. (1) Notwithstanding any other statutory or charter
2 provision to the contrary, beginning in 2005 and each year after
3 2005, a county shall impose as a summer property tax levy that
4 portion of the number of mills allocated to the county by a county
5 tax allocation board or authorized for the county through a
6 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) NOTWITHSTANDING ANY OTHER STATUTORY OR CHARTER PROVISION
13 TO THE CONTRARY, BEGINNING IN 2012 AND EACH YEAR AFTER 2012, A
14 MILLAGE THAT IS LEVIED BY ANY TAXING AUTHORITY WITHIN A LOCAL TAX
15 COLLECTING UNIT THAT HAD BEEN PREVIOUSLY BILLED AND COLLECTED AS
16 PART OF THE WINTER PROPERTY TAX LEVY IN A PRECEDING TAX YEAR MAY BE
17 ACCELERATED AND COLLECTED EARLIER IN THAT TAX YEAR AS A SUMMER
18 PROPERTY TAX LEVY IF ALL OF THE FOLLOWING CONDITIONS ARE SATISFIED:

19 (A) THE AGGREGATE AMOUNT OF THE REVENUE FROM THE LEVY AND
20 COLLECTION OF ALL INDIVIDUAL MILLAGES THAT WOULD BE LEVIED AND
21 COLLECTED IN THE WINTER TAX BILL TOTALS \$100.00 OR LESS PER
22 INDIVIDUAL TAX BILL, EXCLUDING ANY PROPERTY TAX ADMINISTRATION FEE.
23 A MILLAGE MAY BE ACCELERATED AND COLLECTED EARLIER FOR ONLY THOSE
24 TAX BILLS THAT TOTAL \$100.00 OR LESS FOR ALL INDIVIDUAL MILLAGES
25 AND THAT MILLAGE MAY BE LEVIED AND COLLECTED AS A WINTER PROPERTY
26 TAX LEVY FOR ALL OTHER TAX BILLS THAT TOTAL MORE THAN \$100.00 FOR
27 ALL INDIVIDUAL MILLAGES. ANY ADDITIONAL MILLAGE APPROVED TO BE

1 LEVIED BY ANY TAXING AUTHORITY AFTER COLLECTION OF THE SUMMER
2 PROPERTY TAX LEVY SHALL BE COLLECTED AS PART OF A WINTER PROPERTY
3 TAX LEVY AS PROVIDED IN THIS ACT.

4 (B) A RESOLUTION AUTHORIZING THE SUMMER COLLECTION IS APPROVED
5 BY ALL OF THE FOLLOWING:

6 (i) THE COUNTY BOARD OF COMMISSIONERS.

7 (ii) THE LEGISLATIVE BODY OF THE LOCAL TAX COLLECTING UNIT.

8 (iii) THE COUNTY TAX ALLOCATION BOARD, IF ANY.

9 (3) ~~(2)~~—Before June 30 and in conformance with the procedures
10 prescribed by this act, the taxes being collected as a summer
11 property tax levy shall be spread in terms of millages on the
12 assessment roll, the amount of tax levied shall be assessed in
13 proportion to the taxable value, and a tax roll shall be prepared
14 that commands the appropriate treasurer to collect on July 1 the
15 taxes indicated as due on the tax roll.

16 (4) ~~(3)~~—Taxes authorized to be collected shall become a lien
17 against the property on which assessed, and due from the owner of
18 that property on July 1.

19 (5) ~~(4)~~—All taxes and interest imposed pursuant to this
20 section that are unpaid before March 1 shall be returned as
21 delinquent on March 1 and collected pursuant to this act.

22 (6) ~~(5)~~—Interest shall be added to taxes collected after
23 September 14 at that rate imposed by section 78a on delinquent
24 property tax levies that became a lien in the same year. The tax
25 levied under this act that is collected with the city taxes shall
26 be subject to the same penalties, interest, and collection charges
27 as city taxes and shall be returned as delinquent to the county

1 treasurer in the same manner and with the same interest, penalties,
2 and fees as city taxes.

3 (7) ~~(6)~~—All or a portion of the fees or charges, or both,
4 authorized under section 44 may be imposed on taxes paid before
5 March 1 and shall be retained by the treasurer actually performing
6 the collection of the summer property tax levy pursuant to this
7 section, regardless of whether all or part of these fees or
8 charges, or both, have been waived by the township or city.

9 (8) ~~(7)~~—Collections shall be remitted to the county for which
10 the taxes were collected pursuant to section 43.

11 (9) ~~(8)~~—To the extent applicable and consistent with the
12 requirements of this section, this act shall apply to proceedings
13 in relation to the assessment, spreading, and collection of taxes
14 pursuant to this section.

15 (10) ~~(9)~~—Each county shall establish a restricted fund known
16 as the revenue sharing reserve fund. The total amount required to
17 be placed in the revenue sharing reserve fund for each county shall
18 equal the amount of that county's December 2004 property tax levy
19 of the total number of mills allocated to the county by a county
20 tax allocation board or authorized for the county through a
21 separate tax limitation vote, less any amount of tax levy captured
22 and used under a tax increment financing plan under 1975 PA 197,
23 MCL 125.1651 to 125.1681; the tax increment finance authority act,
24 1980 PA 450, MCL 125.1801 to 125.1830; the local development
25 financing act, 1986 PA 281, MCL 125.2151 to 125.2174; or the
26 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651
27 to 125.2672, and shall be deposited in the revenue sharing reserve

1 fund as provided in this section. Revenues credited to the revenue
2 sharing reserve fund from the December tax levy of a county with a
3 fiscal year ending December 31 shall be accrued to the fiscal year
4 ending in the year of that December property tax levy. Revenue
5 shall be credited to the fund by each county as follows:

6 (a) From the county's December 2004 property tax levy, 1/3 of
7 the total December levy of the total number of mills allocated to
8 the county by a county tax allocation board or authorized for the
9 county through a separate tax limitation vote, less any amount of
10 tax levy captured and used under a tax increment financing plan
11 under 1975 PA 197, MCL 125.1651 to 125.1681; the tax increment
12 finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830; the
13 local development financing act, 1986 PA 281, MCL 125.2151 to
14 125.2174; or the brownfield redevelopment financing act, 1996 PA
15 381, MCL 125.2651 to 125.2672.

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

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

20 **(11)** ~~(10)~~—All of the following apply to a revenue sharing
21 reserve fund established under subsection ~~(9)~~ **(10)** :

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

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

27 (c) Interest earnings on funds deposited in the revenue

1 sharing reserve fund shall be credited to the revenue sharing
2 reserve fund. However, the county is not required to reimburse the
3 revenue sharing reserve fund for a reduction of interest earnings
4 that occurs because funds in the revenue sharing reserve fund were
5 used for cash flow purposes.

6 (d) The revenue sharing reserve fund shall be separately
7 reported in the annual financial report required under section 4 of
8 1919 PA 71, MCL 21.44.

9 (12) ~~(11)~~—For a county fiscal year that ends on December 31,
10 2004, a county may expend in that fiscal year an amount not to
11 exceed the payments made to that county under the Glenn Steil state
12 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921,
13 in October and December 2003 and, if the payment is accrued back to
14 the county's 2003 fiscal year, February 2004.

15 (13) ~~(12)~~—Not later than March 1, 2005, a county that receives
16 a payment in October 2004 as provided in a bill making
17 appropriations to the department of treasury for the 2004-05 fiscal
18 year shall pay the amount of that payment to the state treasurer
19 from the revenue sharing reserve fund. A county that does not make
20 the payment required under this subsection shall not make any
21 expenditures from the fund provided under subsection ~~(13)~~. (14).

22 (14) ~~(13)~~—For each fiscal year of a county that begins after
23 September 30, 2004, a county may expend from the revenue sharing
24 reserve fund an amount not to exceed the total payments made to
25 that county under the Glenn Steil state revenue sharing act of
26 1971, 1971 PA 140, MCL 141.901 to 141.921, in the state fiscal year
27 ending September 30, 2004, adjusted annually by the inflation rate,

1 without regard to any executive orders issued after May 17, 2004.
2 As used in this subsection, "inflation rate" means that term as
3 defined in section 34d.

4 (15) IF A RESOLUTION AUTHORIZING A SUMMER PROPERTY TAX LEVY
5 FOR A TAX PREVIOUSLY BILLED AS PART OF THE WINTER PROPERTY TAX LEVY
6 IS APPROVED UNDER SUBSECTION (2), THE TREASURER THAT COLLECTS THE
7 SUMMER PROPERTY TAX LEVY SHALL ESTABLISH A RESTRICTED FUND TO BE
8 KNOWN AS THE OTHER LEVIES RESERVE FUND FOR ANY MILLAGE COLLECTED
9 THAT WAS PREVIOUSLY BILLED AS PART OF THE WINTER PROPERTY TAX LEVY.
10 ANY MILLAGE THAT HAD BEEN PREVIOUSLY BILLED AND COLLECTED AS PART
11 OF THE WINTER PROPERTY TAX LEVY IN A PRECEDING TAX YEAR THAT IS
12 ACCELERATED AND COLLECTED EARLIER AS A SUMMER PROPERTY TAX LEVY
13 SHALL BE DEPOSITED INTO THE OTHER LEVIES RESERVE FUND. THE
14 TREASURER THAT COLLECTS THE SUMMER PROPERTY TAX LEVY SHALL
15 DISTRIBUTE TO THE LOCAL TAXING AUTHORITIES THE REVENUES CREDITED TO
16 THE OTHER LEVIES RESERVE FUND FROM THE SUMMER PROPERTY TAX
17 COLLECTION OF A MILLAGE THAT HAD BEEN PREVIOUSLY BILLED AND
18 COLLECTED AS PART OF A WINTER PROPERTY TAX LEVY ON DECEMBER 1 OF
19 THE TAX YEAR THAT THE DECEMBER PROPERTY TAX LEVY WOULD OTHERWISE
20 HAVE BEEN DUE AND PAYABLE. IF A MILLAGE PREVIOUSLY BILLED AND
21 COLLECTED AS PART OF THE WINTER PROPERTY TAX LEVY IS ACCELERATED
22 AND COLLECTED EARLIER AS A SUMMER PROPERTY TAX LEVY, AND IF THE
23 MILLAGE COLLECTED IN THAT SUMMER PROPERTY TAX LEVY IS LESS THAN
24 THAT MILLAGE WOULD HAVE BEEN IF LEVIED AS PART OF THE IMMEDIATELY
25 SUCCEEDING WINTER PROPERTY TAX LEVY, THE TREASURER THAT COLLECTED
26 THE SUMMER PROPERTY TAX LEVY MAY ISSUE A SUPPLEMENTAL WINTER TAX
27 BILL FOR THE DEFICIENCY OR, IF APPROVED BY A RESOLUTION OF THE

1 LEGISLATIVE BODY OF THE LOCAL UNIT THAT COLLECTED THE SUMMER
2 PROPERTY TAX LEVY, PAY ANY DEFICIENCY FROM THAT LOCAL UNIT'S
3 GENERAL FUND. IF THE COUNTY TREASURER COLLECTS THE SUMMER PROPERTY
4 TAX LEVY, INTEREST EARNED ON THE OTHER LEVIES RESERVE FUND SHALL BE
5 TRANSMITTED TO THE VARIOUS LOCAL TAX COLLECTING UNITS IN PROPORTION
6 TO THE REVENUE COLLECTED FROM A MILLAGE PREVIOUSLY BILLED AND
7 COLLECTED AS PART OF THE WINTER PROPERTY TAX LEVY IN A PRECEDING
8 TAX YEAR THAT IS ACCELERATED AND COLLECTED EARLIER AS A SUMMER
9 PROPERTY TAX LEVY, AFTER A DEDUCTION OF REASONABLE EXPENSES
10 INCURRED BY THE COUNTY IN ADMINISTERING THE ACCOUNTING AND
11 DISBURSEMENT OF FUNDS, TO THE EXTENT THAT THOSE EXPENSES ARE IN
12 ADDITION TO THE EXPENSES OF ACCOUNTING AND DISBURSING OTHER TAXES.

13 (16) THE TREASURER THAT COLLECTS THE STATE EDUCATION TAX SHALL
14 COLLECT THE SUMMER PROPERTY TAX LEVY UNDER THIS SECTION.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. 323 of the 96th Legislature is enacted into
17 law.