

SENATE BILL NO. 1060

May 26, 2022, Introduced by Senator HUIZENGA and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 90, 19, and 30 (MCL 211.90, 211.19, and
211.30), section 90 as amended by 2021 PA 150, section 19 as
amended by 2017 PA 261, and section 30 as amended by 2013 PA 153.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 90. (1) Beginning December 31, 2013, eligible personal
2 property for which an exemption has been properly claimed under
3 this section is exempt from the collection of taxes under this act.
4 (2) An owner of eligible personal property shall claim the

1 exemption under this section **in 1 of the following ways, as**
2 **applicable:**

3 **(a) For a claim of exemption as to eligible personal property**
4 **under subsection (9) (c) (ii) (A),** by filing a statement with the local
5 tax collecting unit in which the eligible personal property is
6 located not later than February 20 of the first year the exemption
7 is claimed or, if February 20 of the first year the exemption is
8 claimed is a Saturday, Sunday, or legal holiday, not later than the
9 next day that is not a Saturday, Sunday, or legal holiday. For
10 purposes of a statement delivered by the United States Postal
11 Service, the filing is timely if the postmark date is on or before
12 the filing deadline prescribed in this ~~subsection.~~**subdivision.** If
13 the statement is not timely filed with the local tax collecting
14 unit, a late submission may be filed directly with the March board
15 of review before its final adjournment by submitting the statement
16 prescribed in this ~~subsection.~~**subdivision.** The board of review
17 shall not accept a filing after adjournment of its March meeting.
18 An appeal of a denial by the March board of review may be made by
19 filing a petition with the Michigan tax tribunal within 35 days of
20 the denial notice. A statement filed under this ~~subsection~~
21 **subdivision** must be in a form prescribed by the state tax
22 commission and must include any address where any property owned
23 by, leased to, or in the possession of that owner or a related
24 entity is located within that local tax collecting unit. In the
25 statement, the owner shall attest that the combined true cash value
26 of all industrial personal property and commercial personal
27 property in that local tax collecting unit owned by, leased to, or
28 in the possession of that owner or a related entity on December 31
29 of the immediately preceding year is less than

1 ~~\$180,000.00.~~ \$80,000.00.

2 (b) For a claim of exemption as to eligible personal property
3 under subsection (9) (c) (ii) (B) , by annually filing a statement of
4 personal property under section 19 with the local tax collecting
5 unit in which the eligible personal property is located. Together
6 with the statement of personal property, the owner shall also file
7 an affidavit attesting to the combined true cash value of all
8 industrial personal property and commercial personal property in
9 that local tax collecting unit owned by, leased to, or in the
10 possession of that owner or a related entity on December 31 of the
11 immediately preceding year, and that this combined true cash value
12 is equal to or greater than \$80,000.00 and less than \$180,000.00.
13 Local tax collecting units shall transmit to the department of
14 treasury, in a form and manner prescribed by the department of
15 treasury, summary information of all exemptions granted each year
16 pursuant to filings made under this subdivision for purposes of
17 providing the department of treasury with data needed to compensate
18 municipalities for revenue lost as a result of those exemptions, as
19 described in section 3a of the Michigan trust fund act, 2000 PA
20 489, MCL 12.253a.

21 (3) If a statement claiming the exemption under ~~this section~~
22 **subsection (2) (a)** is filed as provided in subsection ~~(2)~~, **(2) (a)** ,
23 the owner of that eligible personal property is not required to
24 file a statement under section 19.

25 (4) A person who claims an exemption for eligible personal
26 property under this section shall maintain books and records and
27 shall provide access to those books and records as provided in
28 section 22. A local unit of government may develop and implement an
29 audit program that includes, but is not limited to, the audit of

1 all information submitted under subsection ~~(2)~~ **(2) (a)** for the
 2 current calendar year and the 3 calendar years immediately
 3 preceding the commencement of an audit. Any assessment as a result
 4 of an audit must be paid in full within 35 days of issuance and
 5 must include interest as described in subsection (5).

6 (5) ~~An~~ **All of the following apply to an** exemption granted
 7 under this section **pursuant to a claim of exemption filed under**
 8 **subsection (2) (a) :**

9 (a) **The exemption** remains in effect until the personal
 10 property is no longer eligible personal property **under subsection**
 11 **(9) (c) (ii) (A)** . An owner whose personal property is no longer
 12 eligible personal property **under subsection (9) (c) (ii) (A)** shall do 1
 13 **of the following, as applicable:**

14 (i) **If the owner intends to claim that the property is eligible**
 15 **personal property under subsection (9) (c) (ii) (B) , refile for the**
 16 **exemption under subsection (2) (b) .**

17 (ii) **If the owner does not intend to claim that the property is**
 18 **eligible personal property under subsection (9) (c) (ii) (B) , file by**
 19 February 20 of the year that the property is no longer eligible a
 20 rescission and the statement required under section 19. The
 21 rescission must be filed on a form prescribed by the department of
 22 treasury. Upon receipt of a rescission form, the local assessor
 23 shall immediately remove the exemption.

24 (b) An owner who fails to file a rescission and whose property
 25 is later determined to be ineligible for the exemption will be
 26 subject to repayment of any additional taxes with interest as
 27 described in this ~~subsection.~~ **subdivision**. Upon discovery that the
 28 property is no longer eligible personal property, the assessor
 29 shall remove the exemption of that personal property and, if the

1 tax roll is in the local tax collecting unit's possession, amend
 2 the tax roll to reflect the removal of the exemption, and the local
 3 treasurer shall within 30 days of the date of the discovery issue a
 4 corrected tax bill for any additional taxes with interest at the
 5 rate of ~~1%~~**1.25%** per month or fraction of a month and penalties
 6 computed from the date the taxes were last payable without interest
 7 or penalty. If the tax roll is in the county treasurer's
 8 possession, the tax roll must be amended to reflect the removal of
 9 the exemption and the county treasurer shall within 30 days of the
 10 date of the removal prepare and submit a supplemental tax bill for
 11 any additional taxes, together with interest at the rate of ~~1%~~
 12 **1.25%** per month or fraction of a month and penalties computed from
 13 the date the taxes were last payable without interest or penalty.
 14 Interest on any tax set forth in a corrected or supplemental tax
 15 bill again begins to accrue 60 days after the date the corrected or
 16 supplemental tax bill is issued at the rate of ~~1%~~**1.25%** per month
 17 or fraction of a month. Taxes levied in a corrected or supplemental
 18 tax bill must be returned as delinquent on the March 1 in the year
 19 immediately succeeding the year in which the corrected or
 20 supplemental tax bill is issued.

21 (6) If the assessor of the local tax collecting unit believes
 22 that personal property for which a statement claiming an exemption
 23 is timely and properly filed under subsection (2) is not eligible
 24 personal property, the assessor may deny that claim for exemption
 25 by notifying the person that filed the statement in writing of the
 26 reason for the denial and advising the person that the denial may
 27 be appealed to the board of review under section 30 during that tax
 28 year.

29 **(7) The assessor may deny a claim for exemption granted under**

1 this section pursuant to a claim of exemption filed under
2 subsection (2) (b) for the current year and for the 3 immediately
3 preceding calendar years. If the assessor denies a claim for
4 exemption under this subsection, the assessor shall do 1 of the
5 following:

6 (a) If the assessor believes that the property qualifies as
7 eligible personal property under subsection (9) (c) (ii) (A) , advise
8 the owner to refile for the exemption under subsection (2) (a) .

9 (b) If the assessor determines that the property does not
10 qualify for the exemption under this section, remove the exemption
11 of that personal property and, if the tax roll is in the local tax
12 collecting unit's possession, amend the tax roll to reflect the
13 denial and the local treasurer shall within 30 days of the date of
14 the denial issue a corrected tax bill for any additional taxes with
15 interest at the rate of 1.25% per month or fraction of a month and
16 penalties computed from the date the taxes were last payable
17 without interest or penalty. If the tax roll is in the county
18 treasurer's possession, the tax roll must be amended to reflect the
19 denial and the county treasurer shall within 30 days of the date of
20 the denial prepare and submit a supplemental tax bill for any
21 additional taxes, together with interest at the rate of 1.25% per
22 month or fraction of a month and penalties computed from the date
23 the taxes were last payable without interest or penalty. Interest
24 on any tax set forth in a corrected or supplemental tax bill again
25 begins to accrue 60 days after the date the corrected or
26 supplemental tax bill is issued at the rate of 1.25% per month or
27 fraction of a month. Taxes levied in a corrected or supplemental
28 tax bill must be returned as delinquent on the March 1 in the year
29 immediately succeeding the year in which the corrected or

1 **supplemental tax bill is issued.**

2 (8) ~~(7)~~—If a person fraudulently claims an exemption for
3 personal property under this section, that person is subject to the
4 penalties provided for in section 21(2).

5 (9) ~~(8)~~—As used in this section:

6 (a) "Commercial personal property" means personal property
7 that is classified as commercial personal property under section
8 34c or would be classified as commercial personal property under
9 section 34c if not exempt from the collection of taxes under this
10 act under this section or section 9m or 9n.

11 (b) "Control", "controlled by", and "under common control
12 with" mean the possession of the power to direct or cause the
13 direction of the management and policies of a related entity,
14 directly or indirectly, whether derived from a management position,
15 official office, or corporate office held by an individual; by an
16 ownership interest, beneficial interest, or equitable interest; or
17 by contractual agreement or other similar arrangement. There is a
18 rebuttable presumption that control exists if any person, directly
19 or indirectly, owns, controls, or holds the power to vote, directly
20 or by proxy, 10% or more of the ownership interest of any other
21 person or has contributed more than 10% of the capital of the other
22 person. Indirect ownership includes ownership through attribution
23 or through 1 or more intermediary entities.

24 (c) "Eligible personal property" means property that meets all
25 of the following conditions:

26 (i) Is industrial personal property or commercial personal
27 property.

28 (ii) The combined true cash value of all industrial personal
29 property and commercial personal property in that local tax

1 collecting unit owned by, leased to, or in the possession of the
2 person claiming an exemption under this section or a related entity
3 on December 31 of the immediately preceding year is **1 of the**
4 **following:**

5 (A) **Less than \$80,000.00.**

6 (B) **Equal to or greater than \$80,000.00 and** less than
7 \$180,000.00.

8 (iii) Is not leased to or used by a person that previously owned
9 the property or a person that, directly or indirectly, controls, is
10 controlled by, or is under common control with the person that
11 previously owned the property.

12 (d) "Industrial personal property" means personal property
13 that is classified as industrial personal property under section
14 34c or would be classified as industrial personal property under
15 section 34c if not exempt from the collection of taxes under this
16 act under this section or section 9m or 9n.

17 (e) "Person" means an individual, partnership, corporation,
18 association, limited liability company, or any other legal entity.

19 (f) "Related entity" means a person that, directly or
20 indirectly, controls, is controlled by, or is under common control
21 with the person claiming an exemption under this section.

22 Sec. 19. (1) A supervisor or other assessing officer, as soon
23 as possible after entering upon the duties of his or her office or
24 as required under the provisions of any charter that makes special
25 provisions for the assessment of property, shall ascertain the
26 taxable property in his or her assessing district, the person to
27 whom it should be assessed, and that person's residence.

28 (2) Except as otherwise provided in section 9m, 9n, or ~~9o~~
29 **9o(3)**, the supervisor or other assessing officer shall require any

1 person whom he or she believes has personal property in their
2 possession to make a statement of all the personal property of that
3 person whether owned by that person or held for the use of another
4 to be completed and delivered to the supervisor or assessor by
5 February 20 of each year, or, if February 20 of a year is a
6 Saturday, Sunday, or legal holiday, the next day that is not a
7 Saturday, Sunday, or legal holiday of that year. For purposes of a
8 statement delivered by the United States Postal Service, the
9 delivery is timely if the postmark date is on or before the
10 delivery deadline prescribed in this subsection. If the statement
11 is not timely delivered to the supervisor or other assessing
12 officer, a late submission may be filed directly with the March
13 board of review before its final adjournment by submitting the
14 statement prescribed in this subsection. The board of review shall
15 not accept a filing after adjournment of its March meeting. An
16 appeal of a denial by the March board of review may be made by
17 filing a petition with the Michigan tax tribunal within 35 days of
18 the denial notice. A notice the supervisor or other assessing
19 officer provides regarding the statement required under this
20 subsection ~~shall~~**must** also do all of the following:

21 (a) Notify the person to whom such notice is given of the
22 exemptions available under sections 9m, 9n, and 9o.

23 (b) Explain where information about those exemptions, the
24 forms and requirements for claiming those exemptions, and the forms
25 for the statement otherwise required under this section are
26 available.

27 (c) Be sent or delivered by not later than January 10 of each
28 year.

29 (3) If a supervisor, an assessing officer, a county tax or

1 equalization department provided for in section 34, or the state
 2 tax commission considers it necessary to require from any person a
 3 statement of real property assessable to that person, it shall
 4 notify the person, and that person shall submit the statement.

5 (4) A local tax collecting unit may provide for the electronic
 6 filing of the statement required under subsection (2) or (3).

7 (5) A statement under subsection (2) or (3) ~~shall~~**must** be in a
 8 form prescribed by the state tax commission. If a local tax
 9 collecting unit has provided for electronic filing of the statement
 10 under subsection (4), the filing format ~~shall~~**must** be **as** prescribed
 11 by the state tax commission. The state tax commission shall not
 12 prescribe more than 1 format for electronically filing a statement
 13 under subsection (2) or more than 1 format for electronically
 14 filing a statement under subsection (3).

15 (6) A statement under subsection (2) or (3) ~~shall~~**must** be
 16 signed manually, by facsimile, or electronically. A supervisor or
 17 assessor shall not require that a statement required under
 18 subsection (2) or (3) be filed by February 20 of each year.

19 (7) A supervisor or assessor shall not accept a statement
 20 under subsection (2) or (3) as final or sufficient if that
 21 statement is not in the proper form or does not contain a manual,
 22 facsimile, or electronic signature. A supervisor or assessor shall
 23 preserve a statement that is not in the proper form or is not
 24 signed as in other cases, and that statement may be used to make
 25 the assessment and as evidence in any proceeding regarding the
 26 assessment of the person furnishing that statement.

27 (8) An electronic or facsimile signature ~~for~~ a statement
 28 required under this section, ~~or~~ a statement required under section
 29 ~~90~~**90(2) (a), an affidavit required under section 90(2) (b), or a**

1 combined document required under section 9m or 9n ~~or~~ under
2 section 7 of the state essential services assessment act, 2014 PA
3 92, MCL 211.1057, ~~shall~~**must** be accepted by a local tax collecting
4 unit.

5 (9) The department of treasury's use of a statement, or
6 information on a statement, provided under this subsection is
7 subject to section 28(1)(f) of 1941 PA 122, MCL 205.28.

8 Sec. 30. (1) Except as otherwise provided in subsection (2),
9 the board of review shall meet on the second Monday in March.

10 (2) The governing body of the city or township may authorize,
11 by adoption of an ordinance or resolution, alternative starting
12 dates in March when the board of review shall initially meet, which
13 alternative starting dates ~~shall~~**must** be the Tuesday or Wednesday
14 following the second Monday of March.

15 (3) The first meeting of the board of review ~~shall~~**must** start
16 not earlier than 9 a.m. and not later than 3 p.m. and last for ~~not~~
17 ~~less than~~**at least** 6 hours. The board of review shall also meet for
18 ~~not less than~~**at least** 6 hours during the remainder of that week.
19 Persons or their agents who have appeared to file a protest before
20 the board of review at a scheduled meeting or at a scheduled
21 appointment ~~shall~~**must** be afforded an opportunity to be heard by
22 the board of review. The board of review shall schedule a final
23 meeting after the board of review makes a change in the assessed
24 value or tentative taxable value of property, adds property to the
25 assessment roll, or exempts personal property under section 9m, 9n,
26 or 9o and removes it from the assessment roll. The board of review
27 shall hold at least 3 hours of its required sessions for review of
28 assessment rolls during the week of the second Monday in March
29 after 6 p.m.

1 (4) A board of review shall meet a total of at least 12 hours
2 during the week beginning the second Monday in March to hear
3 protests. At the request of a person whose property is assessed on
4 the assessment roll or of his or her agent, and if sufficient cause
5 is shown, the board of review shall correct the assessed value or
6 tentative taxable value of the property in a manner that will make
7 the valuation of the property relatively just and proper under this
8 act. For the appeal of a denial of a claim of exemption for
9 personal property under section 9m, 9n, or 9o, ~~or for an appeal~~
10 ~~under section 9o(7)~~, if an exemption is approved, the board of
11 review shall remove the personal property from the assessment roll.
12 The board of review may examine under oath the person making the
13 application, or any other person concerning the matter. A member of
14 the board of review may administer the oath. A nonresident taxpayer
15 may file his or her appearance, protest, and papers in support of
16 the protest by letter, and his or her personal appearance is not
17 required. The board of review, on its own motion, may change
18 assessed values or tentative taxable values or add to the roll
19 property omitted from the roll that is liable to assessment if the
20 person who is assessed for the altered valuation or for the omitted
21 property is promptly notified and granted an opportunity to file
22 objections to the change at the meeting or at a subsequent meeting.
23 An objection to a change in assessed value or tentative taxable
24 value or to the addition of property to the tax roll ~~shall~~**must** be
25 promptly heard and determined. Each person who makes a request,
26 protest, or application to the board of review for the correction
27 of the assessed value or tentative taxable value of the person's
28 property or for the exemption of that person's personal property
29 under section 9m, 9n, or 9o ~~shall~~**must** be notified in writing, not

1 later than the first Monday in June, of the board of review's
2 action on the request, protest, or application, of the state
3 equalized valuation or tentative taxable value of the property, and
4 of information regarding the right of further appeal to the tax
5 tribunal. Information regarding the right of further appeal to the
6 tax tribunal ~~shall~~**must** include, but is not limited to, a statement
7 of the right to appeal to the tax tribunal, the address of the tax
8 tribunal, and the final date for filing an appeal with the tax
9 tribunal.

10 (5) If an exemption for personal property under section 9m,
11 9n, or 9o is approved, the board of review shall file an affidavit
12 with the proper officials involved in the assessment and collection
13 of taxes and all affected official records ~~shall~~**must** be corrected.
14 If the board of review does not approve an exemption under section
15 9m, 9n, or 9o, the person claiming the exemption for that personal
16 property may appeal that decision in writing to the Michigan tax
17 tribunal. A correction under this subsection that approves an
18 exemption under section 9o may be made for the year in which the
19 appeal was filed and the immediately preceding 3 tax years. A
20 correction under this subsection that approves an exemption under
21 section 9m or 9n may be made only for the year in which the appeal
22 was filed.

23 (6) After the board of review completes the review of the
24 assessment roll, a majority of the board of review shall indorse
25 the roll and sign a statement to the effect that the roll is the
26 assessment roll for the year in which it has been prepared and
27 approved by the board of review.

28 (7) The **appropriate assessing officer shall deliver the**
29 completed assessment roll ~~shall be delivered by the appropriate~~

1 ~~assessing officer~~ to the county equalization director not later
2 than the tenth day after the adjournment of the board of review, or
3 the Wednesday following the first Monday in April, whichever date
4 occurs first.

5 (8) The governing body of the township or city may authorize,
6 by adoption of an ordinance or resolution, a resident taxpayer to
7 file his or her protest before the board of review by letter
8 without a personal appearance by the taxpayer or his or her agent.
9 If that ordinance or resolution is adopted, the township or city
10 shall include a statement notifying taxpayers of this option in
11 each assessment notice under section 24c and on each notice or
12 publication of the meeting of the board of review.

13 Enacting section 1. This amendatory act takes effect December
14 31, 2022.

15 Enacting section 2. This amendatory act does not take effect
16 unless all of the following bills of the 101st Legislature are
17 enacted into law:

18 (a) Senate Bill No. 1062.

19

20 (b) Senate Bill No. 1061.

21