

# HOUSE BILL No. 5655

March 16, 2004, Introduced by Reps. Ehardt, Julian, DeRoche, Richardville and Vander Veen and referred to the Committee on Tax Policy.

A bill to amend 1993 PA 331, entitled  
 "State education tax act,"  
 by amending section 5b (MCL 211.905b), as added by 2002 PA 244.

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

1       Sec. 5b. (1) This section applies only to a city or  
 2 township, or that portion of a city or township, in which no  
 3 property taxes, other than the tax levied under this act or  
 4 village taxes, are levied in the summer of 2003 and any summer  
 5 after 2003.

6       (2) A city or township shall collect the tax levied under  
 7 this act unless ~~—, before November 1, 2002,—~~ the legislative body  
 8 of the city or township adopts a resolution declining to collect  
 9 the tax levied under this act and, for a township, the treasurer  
 10 concurs in writing with that resolution. ~~—Before November 1,~~  
 11 ~~2002, if—~~ **If** the city or township adopts a resolution declining

1 to collect the tax under this act and, for a township, the  
2 treasurer concurs in writing with that resolution, the  
3 appropriate assessing officer shall send a copy of that  
4 resolution and, for a township, that concurrence to the state  
5 treasurer and the treasurer of the county in which the city or  
6 township is located. In January 2004 and each January  
7 thereafter, the legislative body of a city or township that has  
8 declined to collect the tax under this subsection may by  
9 resolution adopted by a majority of the legislative body rescind  
10 the earlier decision to decline to collect the tax. The city or  
11 township shall immediately send a copy of the resolution  
12 rescinding the earlier decision to decline to collect the tax to  
13 the state treasurer and the treasurer of the county in which the  
14 city or township is located. If a city or township collects the  
15 tax levied under this act pursuant to this section, this state  
16 shall transmit to that city or township \$2.50 for each parcel of  
17 property in that city or township on which the tax levied under  
18 this act is collected under this section.

19 (3) A county that receives a copy of a resolution declining  
20 to collect the tax under this act and, for a township, a written  
21 concurrence as provided in subsection (2) shall collect the tax  
22 levied under this act pursuant to this section unless, before  
23 February 1, 2003, the county board of commissioners adopts a  
24 resolution declining to collect the tax levied under this act and  
25 the county treasurer concurs in writing with that resolution.  
26 Before February 1, 2003, if the county board of commissioners  
27 adopts a resolution declining to collect the tax under this act

1 and the county treasurer concurs in writing with that resolution,  
2 the county treasurer shall send a copy of that resolution and  
3 that concurrence to the state treasurer. In February 2004 and  
4 each February thereafter, a county board of commissioners that  
5 has declined to collect the tax under this subsection may by  
6 resolution, with the written concurrence of the county treasurer,  
7 rescind the earlier decision to decline to collect the tax. The  
8 county treasurer shall immediately send a copy of the resolution  
9 rescinding the earlier decision to decline to collect the tax and  
10 the written concurrence of the county treasurer to the state  
11 treasurer. If a county collects the tax levied under this act  
12 pursuant to this section, this state shall transmit to that  
13 county \$2.50 for each parcel for property in that county on which  
14 the tax levied under this act is collected under this section.

15 (4) If a city or township does not collect the tax levied  
16 under this act pursuant to subsection (2) and if a county does  
17 not collect the tax levied under this act pursuant to subsection  
18 (3), the state treasurer shall collect the tax under the  
19 provisions of the general property tax act. The collection of  
20 the tax levied under this act is not subject to 1941 PA 122,  
21 MCL 205.1 to 205.31. The tax levied under this act collected  
22 pursuant to this subsection is subject to a 1% administration  
23 fee.

24 (5) All of the following apply to the collection of the tax  
25 levied under this act by a county treasurer or the state  
26 treasurer:

27 (a) Not later than June 1, the township or city for which the

1 tax is being collected shall deliver to the county treasurer or  
2 the state treasurer, as applicable, a certified copy of each  
3 assessment roll for taxable property located in the township or  
4 city. Each assessment roll shall include the taxable value of  
5 each parcel subject to the collection of the tax levied under  
6 this act. The county treasurer or state treasurer, as  
7 applicable, shall remit the necessary cost incident to the  
8 reproduction of the assessment roll to the township or city.

9 (b) Not later than June 30, the county treasurer or the state  
10 treasurer, as applicable, shall spread the millage levied under  
11 this act against the assessment roll and prepare the tax roll.

12 (c) The county treasurer or the state treasurer, as  
13 applicable, may impose all or a portion of the fees and charges  
14 authorized under section 44 of the general property tax act, 1893  
15 PA 206, MCL 211.44, on taxes paid before March 1. The county  
16 treasurer or the state treasurer, as applicable, shall retain the  
17 fees and charges imposed under this subdivision regardless of  
18 whether all or part of the fees and charges have been waived by  
19 the township or city.

20 (6) In relation to the assessment, spreading, and collection  
21 of taxes pursuant to this section, a county treasurer or the  
22 state treasurer, as applicable, shall have powers and duties  
23 similar to those prescribed by the general property tax act for  
24 township supervisors, township clerks, and township treasurers.  
25 However, this section shall not be considered to transfer any  
26 authority over the assessment of property.

27 (7) A county treasurer or state treasurer collecting taxes

1 pursuant to this section shall be bonded for tax collection in  
2 the same amount and in the same manner as a township treasurer  
3 would be for undertaking the duties prescribed by this section.

4 (8) If a county treasurer or the state treasurer collects the  
5 tax levied under this act pursuant to this section, all payments  
6 from this state for collecting the tax levied under this act in a  
7 summer levy, and all revenue generated by the administration fee,  
8 shall be deposited in a restricted account designated as the  
9 "state education tax collection account". The county treasurer  
10 or the state treasurer, as applicable, shall direct the  
11 investment of the account. The county treasurer or the state  
12 treasurer, as applicable, shall credit to the account interest  
13 and earnings from the account investments. Proceeds in that  
14 account shall only be used for the cost of collecting the tax  
15 levied under this act. For a county collecting the tax under  
16 this act, the county board of commissioners shall appropriate  
17 sufficient money from the account to the county treasurer to  
18 cover the cost of collecting the tax levied under this act.

19 (9) The tax levied under this act that is collected by a city  
20 pursuant to this section on a date other than a date it collects  
21 city taxes shall be subject to the same fees and charges a city  
22 may impose under section 44 of the general property tax act, 1893  
23 PA 206, MCL 211.44, except that a city may impose the  
24 administration fee on the tax levied under this act that is  
25 billed in the summer even if the fee is not imposed on taxes  
26 billed in December. The tax levied under this act that is  
27 collected pursuant to this section on or before September 14 of

1 each year by a city that collects school taxes on a date other  
2 than the date it collects city taxes shall be without interest,  
3 but the tax levied under this act that is collected after  
4 September 14 in each year shall bear interest at the rate imposed  
5 by section 59 of the general property tax act, 1893 PA 206,  
6 MCL 211.59, on delinquent property tax levies that become a lien  
7 in the same year. All interest and penalties that are imposed  
8 prior to the date the tax levied under this act is returned as  
9 delinquent, other than the administration fee, shall be  
10 transmitted to the state treasurer for deposit into the state  
11 school aid fund established in section 11 of article IX of the  
12 state constitution of 1963. If imposed, the administration fee  
13 shall be retained by the city.

14 (10) The tax levied under this act that is collected by a  
15 township on or before September 14 in each year shall be without  
16 interest. The tax levied under this act that is collected after  
17 September 14 of any year shall bear interest at the rate imposed  
18 by section 59 of the general property tax act, 1893 PA 206,  
19 MCL 211.59, on delinquent property tax levies that become a lien  
20 in the same year. The tax levied under this act that is  
21 collected by a township is subject to the same fees and charges  
22 the township may impose under section 44 of the general property  
23 tax act, 1893 PA 206, MCL 211.44, except that a township may  
24 impose the administration fee on the tax levied under this act  
25 that is billed in the summer even if the fee is not imposed on  
26 taxes billed in December. All interest and penalties that are  
27 imposed prior to the date the tax levied under this act is

1 returned delinquent, other than the administration fee, shall be  
2 transmitted to the state treasurer for deposit into the state  
3 school aid fund established in section 11 of article IX of the  
4 state constitution of 1963. If imposed, the administration fee  
5 shall be retained by the township.