

Act No. 153  
Public Acts of 2013  
Approved by the Governor  
November 5, 2013  
Filed with the Secretary of State  
November 5, 2013  
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**STATE OF MICHIGAN**  
**97TH LEGISLATURE**  
**REGULAR SESSION OF 2013**

Introduced by Senators Brandenburg, Robertson, Caswell, Proos, Marleau, Colbeck and Booher

**ENROLLED SENATE BILL No. 489**

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending sections 9o, 19, 21, 22, 30, and 53b (MCL 211.9o, 211.19, 211.21, 211.22, 211.30, and 211.53b), section 9o as added by 2012 PA 402, section 19 as amended by 2002 PA 267, sections 21 and 22 as amended by 1996 PA 126, section 30 as amended by 2003 PA 194, and section 53b as amended by 2010 PA 24.

*The People of the State of Michigan enact:*

Sec. 9o. (1) Beginning December 31, 2013, eligible personal property for which an exemption has been properly claimed under this section is exempt from the collection of taxes under this act.

(2) An owner of eligible personal property shall claim the exemption under this section by annually filing an affidavit with the local tax collecting unit in which the eligible personal property is located not later than February 10 in each tax year. The affidavit shall be in a form prescribed by the state tax commission and shall include any address where any property owned by, leased to, or in the possession of that owner or a related entity is located within that local tax collecting unit. The affidavit shall require the owner to attest that the combined true cash value of all industrial personal property and commercial personal property in that local tax collecting unit owned by, leased to, or in the possession of that owner or a related entity on December 31 of the immediately preceding year is less than \$80,000.00.

(3) If an affidavit claiming the exemption under this section is filed as provided in subsection (2), the owner of that eligible personal property is not required to also file a statement under section 19 in that tax year.

(4) A person who claims an exemption for eligible personal property under this section shall maintain books and records and shall provide access to those books and records as provided in section 22.

(5) If the assessor of the local tax collecting unit believes that personal property for which an affidavit claiming an exemption is filed under subsection (2) is not eligible personal property, the assessor may deny that claim for exemption by notifying the person that filed the affidavit in writing of the reason for the denial and advising the person that the denial may be appealed to the board of review under section 30 or 53b during that tax year. The assessor may deny a claim for exemption for the current year and for the 3 immediately preceding calendar years. If the assessor denies a

claim for exemption, the assessor shall remove the exemption of that personal property and, if the tax roll is in the local tax collecting unit's possession, amend the tax roll to reflect the denial and the local treasurer shall within 30 days of the date of the denial issue a corrected tax bill for any additional taxes with interest at the rate of 1% per month or fraction of a month and penalties computed from the date the taxes were last payable without interest or penalty. If the tax roll is in the county treasurer's possession, the tax roll shall be amended to reflect the denial and the county treasurer shall within 30 days of the date of the denial prepare and submit a supplemental tax bill for any additional taxes, together with interest at the rate of 1% per month or fraction of a month and penalties computed from the date the taxes were last payable without interest or penalty. Interest on any tax set forth in a corrected or supplemental tax bill shall again begin to accrue 60 days after the date the corrected or supplemental tax bill is issued at the rate of 1% per month or fraction of a month. Taxes levied in a corrected or supplemental tax bill shall be returned as delinquent on the March 1 in the year immediately succeeding the year in which the corrected or supplemental tax bill is issued.

(6) If a person fraudulently claims an exemption for personal property under this section, that person is subject to the penalties provided for in section 21(2).

(7) For 2014 only, if an owner of eligible personal property did not timely file an affidavit to claim the exemption under this section, that owner may file an appeal with the March 2014 board of review to claim the exemption.

(8) As used in this section:

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

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

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

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

(ii) The combined true cash value of all industrial personal property and commercial personal property in that local tax collecting unit owned by, leased to, or in the possession of the person claiming an exemption under this section or a related entity on December 31 of the immediately preceding year is less than \$80,000.00.

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

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

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

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

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

(2) Except as otherwise provided in section 9m, 9n, or 9o, the supervisor or other assessing officer shall require any person whom he or she believes has personal property in their possession to make a statement of all the personal property of that person whether owned by that person or held for the use of another to be completed and delivered to the supervisor or assessor on or before February 20 of each year. A notice the supervisor or other assessing officer provides regarding that statement shall also do all of the following:

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

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

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

(3) If a supervisor, an assessing officer, a county tax or equalization department provided for in section 34, or the state tax commission considers it necessary to require from any person a statement of real property assessable to that person, it shall notify the person, and that person shall submit the statement.

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

(5) A statement under subsection (2) or (3) shall be in a form prescribed by the state tax commission. If a local tax collecting unit has provided for electronic filing of the statement under subsection (4), the filing format shall be prescribed by the state tax commission. The state tax commission shall not prescribe more than 1 format for electronically filing a statement under subsection (2) or more than 1 format for electronically filing a statement under subsection (3).

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

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

(8) An electronic or facsimile signature shall be accepted by a local tax collecting unit using a procedure prescribed by the state tax commission.

(9) A statement under subsection (2) for 2015 shall include a schedule of when any personal property included in the statement will become eligible for exemption under section 9m or 9n.

Sec. 21. (1) If a person, member of a firm, or officer of a corporation willfully neglects or refuses to make out and deliver a statement required under section 19 or falsely answers or refuses to answer questions concerning his or her property or property under his or her control as required under this act, that person is guilty of a misdemeanor punishable by imprisonment in the county jail for not less than 30 days or more than 6 months or by a fine of not less than \$100.00 or more than \$1,000.00, or both. If a supervisor, assessing officer, or member of the state tax commission is satisfied that a person is liable under this subsection, he or she shall report the case to the prosecuting attorney of the county in which the property is located.

(2) If a person fraudulently claims an exemption for personal property under section 9m, 9n, or 9o, that person is guilty of a misdemeanor punishable by imprisonment in the county jail for not less than 30 days or more than 6 months or by a fine of not less than \$500.00 or more than \$2,500.00, or both. If the assessor for the local tax collecting unit is satisfied that a person is liable under this subsection, he or she shall report the case to the prosecuting attorney of the county in which the personal property is located.

Sec. 22. (1) If a supervisor, assessing officer, member of the state tax commission, or director or deputy director of the county tax or equalization department is satisfied that a statement required under section 19 is incorrect, or if a statement required under section 19 cannot be obtained from the person, firm, or corporation whose property is assessed, a supervisor, assessing officer, member of the state tax commission, or director or deputy director of the county tax or equalization department may examine, under oath to be administered by the supervisor, assessing officer, member of the state tax commission, or director or deputy director of the county tax or equalization department, any person he or she believes has knowledge of the amount or value of any property owned, held, or controlled by the person neglecting, refusing, or omitting to be examined or to furnish the statement required under section 19.

(2) A person who files an affidavit claiming an exemption for personal property under section 9o shall maintain adequate books and records relating to the description; the date of purchase, lease, or acquisition; and the purchase price, lease amount, or value of all industrial personal property and commercial personal property owned by, leased by, or in the possession of that person or a related entity for 4 years after filing an affidavit claiming the exemption. A person who files an affidavit claiming an exemption for personal property under section 9o shall provide access to the books and records relating to the description; the date of purchase, lease, or acquisition; and the purchase price, lease amount, or value of all industrial personal property and commercial personal property owned by, leased by, or in the possession of that person or a related entity if requested by the assessor of the local tax collecting unit, county equalization department, or department of treasury for 4 years immediately succeeding the year in which that person files an affidavit claiming the exemption.

(3) A person who files an affidavit claiming an exemption for personal property under section 9m or 9n shall maintain adequate books and records relating to the description; the date of purchase, lease, or acquisition; and the purchase price, lease amount, or value of that personal property; the customary industrial use for that personal property; and the asset classification grouping of that personal property as applied in mass appraisal techniques for assessing purposes until that personal property is no longer eligible for exemption under section 9m or 9n. A person who claims an exemption for personal property under section 9m or 9n shall provide access to the books and records relating to the description; the date of purchase, lease, or acquisition; and the purchase price, lease amount, or value of that personal property; the customary industrial use for that personal property; and the asset classification grouping of that personal property as applied in mass appraisal techniques for assessing purposes if requested by the assessor of the local tax collecting unit, county equalization department, or department of treasury in any year in which that person claims an exemption for that personal property under section 9m or 9n.

(4) The assessor of a local tax collecting unit shall preserve all affidavits claiming an exemption for personal property filed under sections 9m, 9n, and 9o for not less than 4 years after completion of the assessment roll for which the affidavits are filed.

(5) A supervisor or assessing officer is authorized to assess to a person, firm, or corporation subject to assessment the amount of real and personal property the supervisor or assessing officer considers reasonable and just.

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

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

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

(4) A board of review shall meet a total of at least 12 hours during the week beginning the second Monday in March to hear protests. At the request of a person whose property is assessed on the assessment roll or of his or her agent, and if sufficient cause is shown, the board of review shall correct the assessed value or tentative taxable value of the property in a manner that will make the valuation of the property relatively just and proper under this act. For the appeal of a denial of a claim of exemption for personal property under section 9m, 9n, or 9o, or for an appeal under section 9o(7), if an exemption is approved, the board of review shall remove the personal property from the assessment roll. The board of review may examine under oath the person making the application, or any other person concerning the matter. A member of the board of review may administer the oath. A nonresident taxpayer may file his or her appearance, protest, and papers in support of the protest by letter, and his or her personal appearance is not required. The board of review, on its own motion, may change assessed values or tentative taxable values or add to the roll property omitted from the roll that is liable to assessment if the person who is assessed for the altered valuation or for the omitted property is promptly notified and granted an opportunity to file objections to the change at the meeting or at a subsequent meeting. An objection to a change in assessed value or tentative taxable value or to the addition of property to the tax roll shall be promptly heard and determined. Each person who makes a request, protest, or application to the board of review for the correction of the assessed value or tentative taxable value of the person's property or for the exemption of that person's personal property under section 9m, 9n, or 9o shall be notified in writing, not later than the first Monday in June, of the board of review's action on the request, protest, or application, of the state equalized valuation or tentative taxable value of the property, and of information regarding the right of further appeal to the tax tribunal. Information regarding the right of further appeal to the tax tribunal shall include, but is not limited to, a statement of the right to appeal to the tax tribunal, the address of the tax tribunal, and the final date for filing an appeal with the tax tribunal.

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

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

(7) The completed assessment roll shall be delivered by the appropriate assessing officer to the county equalization director not later than the tenth day after the adjournment of the board of review, or the Wednesday following the first Monday in April, whichever date occurs first.

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

Sec. 53b. (1) If there has been a qualified error, the qualified error shall be verified by the local assessing officer and approved by the board of review. Except as otherwise provided in subsection (9), the board of review shall meet for the purposes of this section on Tuesday following the second Monday in December and on Tuesday following the third Monday in July. If approved, the board of review shall file an affidavit within 30 days relative to the qualified error with the proper officials and all affected official records shall be corrected. If the qualified error results in an overpayment or underpayment, the rebate, including any interest paid, shall be made to the taxpayer or the taxpayer shall be notified and payment made within 30 days of the notice. A rebate shall be without interest. The treasurer in possession of the appropriate tax roll may deduct the rebate from the appropriate tax collecting unit's subsequent distribution of taxes. The treasurer in possession of the appropriate tax roll shall bill to the appropriate tax collecting unit the tax collecting unit's share of taxes rebated. Except as otherwise provided in subsections (6) and (8) and section 27a(4), a correction under this subsection may be made for the current year and the immediately preceding year only.

(2) Action pursuant to subsection (1) may be initiated by the taxpayer or the assessing officer.

(3) The board of review meeting in July and December shall meet only for the purpose described in subsection (1) and to hear appeals provided for in sections 7u, 7cc, 7ee, 7jj, 9m, 9n, and 9o. If an exemption under section 7u is approved, the board of review shall file an affidavit with the proper officials involved in the assessment and collection of taxes and all affected official records shall be corrected. If an appeal under section 7cc, 7ee, 7jj, 9m, 9n, or 9o results in a determination that an overpayment has been made, the board of review shall file an affidavit and a rebate shall be made at the times and in the manner provided in subsection (1). Except as otherwise provided in sections 7cc, 7ee, 7jj, and 9o, a correction under this subsection shall be made for the year in which the appeal is made only. If the board of review approves an exemption or provides a rebate for property under section 7cc, 7ee, or 7jj as provided in this subsection, the board of review shall require the owner to execute the affidavit provided for in section 7cc, 7ee, or 7jj and shall forward a copy of any section 7cc affidavits to the department of treasury.

(4) If an exemption under section 7cc is approved by the board of review under this section, the provisions of section 7cc apply. If an exemption under section 7cc is not approved by the board of review under this section, the owner may appeal that decision in writing to the department of treasury within 35 days of the board of review's denial and the appeal shall be conducted as provided in section 7cc(8).

(5) An owner or assessor may appeal a decision of the board of review under this section regarding an exemption under section 7ee or 7jj to the residential and small claims division of the Michigan tax tribunal. An owner is not required to pay the amount of tax in dispute in order to receive a final determination of the residential and small claims division of the Michigan tax tribunal. However, interest and penalties, if any, shall accrue and be computed based on interest and penalties that would have accrued from the date the taxes were originally levied as if there had not been an exemption.

(6) A correction under this section that approves a principal residence exemption pursuant to section 7cc may be made for the year in which the appeal was filed and the 3 immediately preceding tax years.

(7) For the appeal of a denial of a claim of exemption for personal property under section 9m, 9n, or 9o, if an exemption is approved, the board of review shall remove the personal property from the assessment roll.

(8) If an exemption for personal property under section 9m, 9n, or 9o is approved, the board of review shall file an affidavit with the proper officials involved in the assessment and collection of taxes and all affected official records shall be corrected. If the board of review does not approve an exemption under section 9m, 9n, or 9o, the person claiming the exemption for that personal property may appeal that decision in writing to the Michigan tax tribunal. A correction under this subsection that approves an exemption under section 9o may be made for the year in which the appeal was filed and the immediately preceding 3 tax years. A correction under this subsection that approves an exemption under section 9m or 9n may be made only for the year in which the appeal was filed.

(9) The governing body of the city or township may authorize, by adoption of an ordinance or resolution, 1 or more of the following alternative meeting dates for the purposes of this section:

(a) An alternative meeting date during the week of the second Monday in December.

(b) An alternative meeting date during the week of the third Monday in July.

(10) As used in this section, "qualified error" means 1 or more of the following:

(a) A clerical error relative to the correct assessment figures, the rate of taxation, or the mathematical computation relating to the assessing of taxes.

(b) A mutual mistake of fact.

(c) An adjustment under section 27a(4) or an exemption under section 7hh(3)(b).

(d) An error of measurement or calculation of the physical dimensions or components of the real property being assessed.

(e) An error of omission or inclusion of a part of the real property being assessed.

(f) An error regarding the correct taxable status of the real property being assessed.



(g) An error made by the taxpayer in preparing the statement of assessable personal property under section 19.

(h) An error made in the denial of a claim of exemption for personal property under section 9m, 9n, or 9o.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate

*Jay E. Randall*

Clerk of the House of Representatives

Approved .....

.....  
Governor