



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5372 (Substitute S-8 as reported)
Sponsor: Representative Willis Bullard, Jr.
House Committee: Tax Policy
Senate Committee: Finance

CONTENT

The bill would amend Public Act 246 of 1931 (which provides for the construction of sidewalks and pavements along highways, and the lighting of highways, by counties and townships) to provide that before 1997 an ad valorem special assessment levied under the Act would have to be levied and apportioned according to the State equalized valuation (SEV) of the property assessed; provide that after 1996 an ad valorem special assessment would have to be levied and apportioned according to the taxable value of the property assessed; and base the apportionment of costs for lighting on a local unit of government's taxable value after 1996.

Currently, a county may provide for the lighting of roads, highways, and bridges. The board of county road commissioners may pay for the lighting from available highway funds under its control; however, if the funds are unavailable, the county board of commissioners may vote to require that the costs of the lighting be apportioned to the townships and cities in the county, based upon their respective SEVs.

MCL 41.290

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill specifies that special assessments would have to be based on the taxable value for 1997 and subsequent years. Local units that did not increase millage rates to correspond to the lower tax base would decrease special assessment collections.

Date Completed: 12-10-96

Fiscal Analyst: R. Ross

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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.