

HOUSE BILL No. 6177

September 23, 1998, Introduced by Rep. Willard and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 44 (MCL 211.44), as amended by 1996 PA 57.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44. (1) Upon receipt of the tax roll, the township
2 treasurer or other collector shall proceed to collect the taxes.
3 The township treasurer or other collector shall mail to each tax-
4 payer at the taxpayer's last known address on the tax roll or to
5 the taxpayer's designated agent a statement showing the descrip-
6 tion of the property against which the tax is levied, the taxable
7 value of the property, and the amount of the tax on the
8 property. If a tax statement is mailed to the taxpayer, a tax
9 statement sent to a taxpayer's designated agent may be in a
10 summary form or may be in an electronic data processing format.
11 If the tax statement information is provided to both a taxpayer

1 and the taxpayer's designated agent, the tax statement mailed to
2 the taxpayer may be identified as an informational copy. A town-
3 ship treasurer or other collector electing to send a tax state-
4 ment to a taxpayer's designated agent or electing not to include
5 an itemization in the manner described in subsection (9)(c) in a
6 tax statement mailed to the taxpayer shall, upon request, mail a
7 detailed copy of the tax statement, including an itemization of
8 the amount of tax in the manner described by subsection (9)(c),
9 to the taxpayer without charge, as previously required by this
10 section.

11 (2) The expense of preparing and mailing the statement shall
12 be paid from the county, township, city, or village funds.
13 Failure to send or receive the notice does not prejudice the
14 right to collect or enforce the payment of the tax. The township
15 treasurer shall remain in the office of the township treasurer at
16 some convenient place in the township on each Friday in the month
17 of December, from 9 a.m. to 5 p.m. to receive taxes, but shall
18 receive taxes upon a weekday when they are offered. However, if
19 a Friday in the month of December is Christmas eve, Christmas
20 day, New Year's eve, or a day designated by the township as a
21 holiday for township employees, the township treasurer shall not
22 be required to remain in the office of the township treasurer on
23 that Friday, but shall remain in the office of the township trea-
24 surer at some convenient place in the township from 9 a.m. to 5
25 p.m. on the day most immediately preceding that Friday that is
26 not Christmas eve, Christmas day, New Year's eve, or a day

1 designated by the township as a holiday for township employees,
2 to receive taxes.

3 (3) Except as provided by subsection (7), on a sum volun-
4 tarily paid before February 15 of the succeeding year, the local
5 property tax collecting unit shall add 1% for a property tax
6 administration fee. However, unless otherwise provided for by an
7 agreement between the assessing unit and the collecting unit, if
8 a local property tax collecting unit other than a village does
9 not also serve as the local assessing unit, the excess of the
10 amount of property tax administration fees over the expense to
11 the local property tax collecting unit in collecting the taxes,
12 but not less than 80% of the fee imposed, shall be returned to
13 the local assessing unit. A property tax administration fee is
14 defined as a fee to offset costs incurred by a collecting unit in
15 assessing property values, collecting the property tax levies,
16 and in the review and appeal processes. The costs of any
17 appeals, in excess of funds available from the property tax
18 administration fee, may be shared by any taxing unit only if
19 approved by the governing body of the taxing unit. Except as
20 provided by subsection (7), on all taxes paid after February 14
21 and before March 1 the governing body of a city or township may
22 authorize the treasurer to add to the tax a property tax adminis-
23 tration fee to the extent imposed on taxes paid before February
24 15 and a late penalty charge equal to 3% of the tax. ~~Interest~~
25 THE GOVERNING BODY OF A CITY OR TOWNSHIP MAY WAIVE INTEREST from
26 February 15 to the last day of February on a summer property tax
27 that has been deferred under section 51 or any late penalty

1 charge ~~may be waived by the governing body of a city or~~
2 ~~township~~ for the homestead property of a senior citizen, para-
3 plegic, quadriplegic, hemiplegic, eligible serviceperson, eligi-
4 ble veteran, eligible widow or widower, totally and permanently
5 disabled person, or blind person, as those persons are defined in
6 chapter 9 of the income tax act of 1967, ~~Act No. 281 of the~~
7 ~~Public Acts of 1967, being sections 206.501 to 206.532 of the~~
8 ~~Michigan Compiled Laws~~ 1967 PA 281, MCL 206.501 TO 206.532, if
9 the person makes a claim before February 15 for a credit for that
10 property provided by chapter 9 of ~~Act No. 281 of the Public Acts~~
11 ~~of 1967~~ THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.501 TO
12 206.532, if the person presents a copy of the form filed for that
13 credit to the local treasurer, and if the person has not received
14 the credit before February 15. ~~Interest~~ THE GOVERNING BODY OF
15 A CITY OR TOWNSHIP MAY WAIVE INTEREST from February 15 to the
16 last day of February on a summer property tax deferred under sec-
17 tion 51 or any late penalty charge ~~may be waived by the govern-~~
18 ~~ing body of a city or township~~ for a person's property that is
19 subject to a farmland development rights agreement recorded with
20 the register of deeds of the county in which the property is sit-
21 uated as provided in section 36104 of part 361 (farmland and open
22 space preservation) of the natural resources and environmental
23 protection act, ~~Act No. 451 of the Public Acts of 1994, being~~
24 ~~section 324.36104 of the Michigan Compiled Laws~~ 1994 PA 451, MCL
25 324.36104, if the person presents a copy of the development
26 rights agreement or verification that the property is subject to
27 a development rights agreement before February 15. A 4% county

1 property tax administration fee, a property tax administration
2 fee to the extent imposed on and if authorized under subsection
3 (7) for taxes paid before March 1, and interest on the tax at the
4 rate of 1% per month shall be added to taxes collected by the
5 township or city treasurer after the last day of February and
6 before settlement with the county treasurer, and the payment
7 shall be treated as though collected by the county treasurer. If
8 the statements required to be mailed by this section are not
9 mailed before December 31, the treasurer shall not impose a late
10 penalty charge ~~with respect to~~ ON taxes collected after
11 February 14.

12 (4) The governing body of a local property tax collecting
13 unit may waive all or part of the property tax administration fee
14 or the late penalty charge, or both. A property tax administra-
15 tion fee collected by the township treasurer shall be used only
16 for the purposes for which it may collected as specified by sub-
17 section (3) and this subsection. If the bond of the treasurer,
18 as provided in section 43, is furnished by a surety company, the
19 cost of the bond may be paid by the township from the property
20 tax administration fee.

21 (5) If apprehensive of the loss of personal tax assessed
22 upon the roll, the township treasurer may enforce collection of
23 the tax at any time, and if compelled to seize property or bring
24 an action in December may add, if authorized under
25 subsection (7), 1% for a property tax administration fee and 3%
26 for a late penalty charge.

1 (6) Along with taxes returned delinquent to a county
2 treasurer under section 55, the amount of the 1% property tax
3 administration fee prescribed by subsection (3) that is imposed
4 and not paid shall be included in the return of delinquent taxes
5 and, when delinquent taxes are distributed by the county trea-
6 surer under this act, the delinquent 1% property tax administra-
7 tion fee shall be distributed to the treasurer of the local unit
8 who transmitted the statement of taxes returned as delinquent.
9 Interest imposed upon delinquent property taxes under this act
10 shall also be imposed upon the 1% property tax administration fee
11 and, for purposes of this act other than to which local unit the
12 county treasurer shall distribute a delinquent 1% property tax
13 administration fee, any reference to delinquent taxes shall be
14 considered to include the 1% property tax administration fee
15 returned as delinquent for the same property.

16 (7) The local property tax collecting treasurer shall not
17 impose a property tax administration fee, collection fee, or any
18 type of late penalty charge authorized by law or charter unless
19 the governing body of the local property tax collecting unit
20 approves, by resolution or ordinance adopted after
21 December 31, 1982, an authorization for the imposition of a prop-
22 erty tax administration fee, collection fee, or any type of late
23 penalty charge provided for by this section or by charter, which
24 authorization shall be valid for all levies that become a lien
25 after the resolution or ordinance is adopted. However, unless
26 otherwise provided for by an agreement between the assessing unit
27 and the collecting unit, a local property tax collecting unit

1 that does not also serve as the assessing unit shall impose a
2 property tax administration fee on each parcel at a rate equal to
3 the rate of the fee imposed for city or township taxes on that
4 parcel.

5 (8) ~~The~~ IF THE TOWNSHIP TREASURER OR OTHER COLLECTOR DID
6 NOT MAIL THE TAX STATEMENT OR A COPY OF THE TAX STATEMENT TO THE
7 TAXPAYER, THE DESIGNATED AGENT SHALL INCLUDE WITHOUT CHARGE A
8 COPY OF THE TAX STATEMENT IN THE annual statement required by
9 ~~Act No. 125 of the Public Acts of 1966, being sections 565.161~~
10 ~~to 565.164 of the Michigan Compiled Laws 1966 PA 125, MCL~~
11 ~~565.161 TO 565.164, or IN a monthly billing form or mortgagor~~
12 ~~passbook provided instead of that annual statement. shall~~
13 ~~include a statement to the effect that a taxpayer who has not~~
14 ~~been mailed the tax statement or a copy of the tax statement by~~
15 ~~the township treasurer or other collector shall receive, upon~~
16 ~~request and without charge, a copy of the tax statement from the~~
17 ~~township treasurer or other collector or, if the tax statement~~
18 ~~has been mailed to the taxpayer's designated agent, from either~~
19 ~~the taxpayer's designated agent or the township treasurer or~~
20 ~~other collector. A designated agent who is subject to Act~~
21 ~~No. 125 of the Public Acts of 1966 1966 PA 125, MCL 565.161 TO~~
22 ~~565.164, and who has been mailed the tax statement for taxes that~~
23 ~~became a lien in the IMMEDIATELY PRECEDING calendar year~~
24 ~~immediately preceding the year in which the annual statement may~~
25 ~~be required to be furnished shall mail , upon the request of~~
26 ~~and without charge A COPY OF THAT TAX STATEMENT to a taxpayer~~
27 ~~who has WAS not been mailed that tax statement or a copy of~~

1 that tax statement. ~~, a copy of that tax statement to that~~
2 ~~taxpayer.~~

3 (9) As used in this section:

4 (a) "Designated agent" means an individual, partnership,
5 association, corporation, receiver, estate, trust, or other legal
6 entity that has entered into an escrow account agreement or other
7 agreement with the taxpayer that obligates that individual or
8 legal entity to pay the property taxes for the taxpayer or, if an
9 agreement has not been entered into, that ~~has been~~ WAS desig-
10 nated by the taxpayer on a form made available to the taxpayer by
11 the township treasurer and filed with that treasurer. The desig-
12 nation by the taxpayer shall remain in effect until revoked by
13 the taxpayer in a writing filed with the township treasurer. The
14 form made available by the township treasurer shall include a
15 statement that submission of the form allows the treasurer to
16 mail the tax statement to the designated agent instead of to the
17 taxpayer and a statement notifying the taxpayer of his or her
18 right to revoke the designation by a writing filed with the town-
19 ship treasurer.

20 (b) "Taxpayer" means the owner of the property ~~upon~~ ON
21 which the tax is imposed.

22 (c) When describing in subsection (1) that the amount of tax
23 on the property must be shown in the tax statement, "amount of
24 tax" means an itemization by dollar amount of each of the several
25 ad valorem property taxes and special assessments that a person
26 may pay under section 53 and an itemization by millage rate, on
27 either the tax statement or a separate form accompanying the tax

1 statement, of each of the several ad valorem property taxes that
2 a person may pay under section 53. The township treasurer or
3 other collector may replace the itemization described in this
4 subdivision with a statement informing the taxpayer that the
5 itemization of the dollar amount and millage rate of the taxes is
6 available without charge from the local property tax collecting
7 unit.