

SENATE BILL No. 1245

May 4, 2000, Introduced by Senators EMMONS, MC MANUS, SIKKEMA, GOUGEON, STILLE, GAST, ROGERS, SCHWARZ, KOIVISTO, HAMMERSTROM and GOSCHKA and referred to the Committee on Farming, Agribusiness and Food Systems.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 7dd, 7ee, 10, 10d, 10f, 24, 24a, 24b, 24c, 27a, 27b, 27c, 31, 34, 34c, 34d, 42, 44, and 53b (MCL 211.7dd, 211.7ee, 211.10, 211.10d, 211.10f, 211.24, 211.24a, 211.24b, 211.24c, 211.27a, 211.27b, 211.27c, 211.31, 211.34, 211.34c, 211.34d, 211.42, 211.44, and 211.53b), sections 7dd, 7ee, 10f, 24c, 27a, 27b, 34c, and 34d as amended and section 27c as added by 1996 PA 476, sections 10, 24, and 24b as amended by 1994 PA 415, section 10d as amended by 1984 PA 19, section 34 as amended by 1986 PA 105, section 44 as amended by 1996 PA 57, and section 53b as amended by 1995 PA 74, and by adding sections 7gg, 27e, 28a, 29a, 30d, 30e, 32a, and 33a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7dd. As used in sections 7cc and 7ee:

2 (a) "Homestead" means that portion of a dwelling or unit in
3 a multiple-unit dwelling that is subject to ad valorem taxes and
4 is owned and occupied as a principal residence by an owner of the
5 dwelling or unit. Homestead also includes all of an owner's
6 unoccupied property classified as residential that is adjoining
7 or contiguous to the dwelling subject to ad valorem taxes and
8 that is owned and occupied as a principal residence by the
9 owner. Contiguity is not broken by a road, a right-of-way, or
10 property purchased or taken under condemnation proceedings by a
11 public utility for power transmission lines if the 2 parcels sep-
12 arated by the purchased or condemned property were a single
13 parcel prior to the sale or condemnation. Homestead also
14 includes any portion of a principal residence of an owner that is
15 rented or leased to another person as a residence as long as that
16 portion of the principal residence that is rented or leased is
17 less than 50% of the total square footage of living space in that
18 principal residence. Homestead also includes a life care facil-
19 ity registered under the living care disclosure act, ~~Act No. 440~~
20 ~~of the Public Acts of 1976, being sections 554.801 to 554.844 of~~
21 ~~the Michigan Compiled Laws 1976 PA 440, MCL 554.801 TO 554.844.~~
22 Homestead also includes property owned by a cooperative housing
23 corporation and occupied as a principal residence by tenant
24 stockholders.

25 (b) "Owner" means any of the following:

1 (i) A person who owns property or who is purchasing property
2 under a land contract.

3 (ii) A person who is a partial owner of property.

4 (iii) A person who owns property as a result of being a ben-
5 eficiary of a will or trust or as a result of intestate
6 succession.

7 (iv) A person who owns or is purchasing a dwelling on leased
8 land.

9 (v) A person holding a life lease in property previously
10 sold or transferred to another.

11 (vi) A grantor who has placed the property in a revocable
12 trust or a qualified personal residence trust.

13 (vii) A cooperative housing corporation.

14 (viii) A facility registered under ~~Act No. 440 of the~~
15 ~~Public Acts of 1976~~ THE LIVING CARE DISCLOSURE ACT, 1976 PA 440,
16 MCL 554.801 TO 554.844.

17 (c) "Person", for purposes of defining owner as used in
18 section 7cc, means an individual and for purposes of defining
19 owner as used in section 7ee means an individual, partnership,
20 corporation, limited liability company, association, or other
21 legal entity.

22 (d) "Principal residence" means the 1 place where a person
23 has his or her true, fixed, and permanent home to which, whenever
24 absent, he or she intends to return and that shall continue as a
25 principal residence until another principal residence is
26 established.

1 (e) "Qualified agricultural property" means unoccupied
2 property and related buildings classified as agricultural REAL
3 PROPERTY, or other unoccupied property and related buildings
4 located on that property devoted primarily to agricultural use as
5 defined in section ~~36101 of part 361 (farmland and open space~~
6 ~~preservation) of the natural resources and environmental protec-~~
7 ~~tion act, Act No. 451 of the Public Acts of 1994, being section~~
8 ~~324.36101 of the Michigan Compiled Laws~~ 34C. Related buildings
9 include a residence occupied by a person employed in or actively
10 involved in the agricultural use and who has not claimed a home-
11 stead exemption on other property. Property used for commercial
12 storage, commercial processing, commercial distribution, commer-
13 cial marketing, or commercial shipping operations or other com-
14 mercial or industrial purposes is not qualified agricultural
15 property. A parcel of property is devoted primarily to agricul-
16 tural use only if more than 50% of the parcel's acreage is
17 devoted to agricultural use. An owner shall not receive an
18 exemption for that portion of the total state equalized valuation
19 of the property that is used for a commercial or industrial pur-
20 pose or that is a residence that is not a related building.

21 Sec. 7ee. (1) Qualified agricultural property is exempt
22 from the tax levied by a local school district for school operat-
23 ing purposes to the extent provided under section 1211 of the
24 revised school code, ~~Act No. 451 of the Public Acts of 1976,~~
25 ~~being section 380.1211 of the Michigan Compiled Laws~~ 1976 PA
26 451, MCL 380.1211, according to the provisions of this section.

1 (2) Qualified agricultural property that is classified as
2 agricultural REAL PROPERTY under section 34c is exempt under
3 subsection (1) and the owner is not required to file an affidavit
4 claiming an exemption with the local tax collecting unit OR
5 COUNTY EQUALIZATION DIRECTOR, AS APPLICABLE, unless requested by
6 the assessor OR COUNTY EQUALIZATION DIRECTOR to determine whether
7 the property includes structures that are not exempt under this
8 section. To claim an exemption under subsection (1) for quali-
9 fied agricultural property that is not classified as agricultural
10 REAL PROPERTY under section 34c, the owner shall file an affida-
11 vit claiming the exemption with the local tax collecting unit by
12 May 1 FOR TAXES LEVIED BEFORE JANUARY 1, 2001 AND WITH THE COUNTY
13 EQUALIZATION DIRECTOR BY TAX DAY AS PROVIDED IN SECTION 2 FOR
14 TAXES LEVIED AFTER DECEMBER 31, 2000. However, if an affidavit
15 claiming a homestead exemption on qualified agricultural property
16 not classified as agricultural REAL PROPERTY was not filed by
17 May 1 in 1994, the owner shall file an affidavit under this sec-
18 tion by June 1, 1994.

19 (3) The affidavit shall be on a form prescribed by the
20 department of treasury.

21 (4) For property classified as agricultural REAL PROPERTY,
22 and upon receipt of an affidavit filed under subsection (2) for
23 property not classified as agricultural REAL PROPERTY, the
24 ~~assessor~~ COUNTY EQUALIZATION DIRECTOR shall determine if the
25 property is qualified agricultural property and if so shall
26 exempt the property from the collection of the tax as provided in
27 subsection (1) until December 31 of the year in which the

1 property is no longer qualified agricultural property as defined
2 in section 7dd. An owner is required to file a new claim for
3 exemption on the same property as requested by the ~~assessor~~
4 COUNTY EQUALIZATION DIRECTOR under subsection (2).

5 (5) Not more than 90 days after all or a portion of the
6 exempted property is no longer qualified agricultural property,
7 the owner shall rescind the exemption for the applicable portion
8 of the property by filing with the ~~local tax collecting unit~~
9 COUNTY EQUALIZATION DIRECTOR a rescission form prescribed by the
10 department of treasury. Beginning October 1, 1994, an owner who
11 fails to file a rescission as required by this subsection is
12 subject to a penalty of \$5.00 per day for each separate failure
13 beginning after the 90 days have elapsed, up to a maximum of
14 \$200.00. This penalty shall be collected under ~~Act No. 122 of~~
15 ~~the Public Acts of 1941, being sections 205.1 to 205.31 of the~~
16 ~~Michigan Compiled Laws~~ 1941 PA 122, MCL 205.1 TO 205.31, and
17 shall be deposited in the state school aid fund established in
18 section 11 of article IX of the state constitution of 1963. This
19 penalty may be waived by the department of treasury.

20 (6) An owner of property that is qualified agricultural
21 property on May 1 for which an exemption was not on the tax roll
22 may file an appeal with the July or December COUNTY QUALIFIED
23 AGRICULTURAL board of review in the year the exemption was
24 claimed or the immediately succeeding year. An owner of property
25 that is qualified agricultural property ~~on May 1~~ for which an
26 exemption was denied by the ~~assessor~~ COUNTY EQUALIZATION
27 DIRECTOR in the year the affidavit was filed, may file an appeal

1 with the July COUNTY QUALIFIED AGRICULTURAL PROPERTY board of
2 review for summer taxes or, if there is not a summer levy of
3 school operating taxes, with the December COUNTY QUALIFIED AGRI-
4 CULTURAL PROPERTY board of review.

5 (7) If the ~~assessor of the local tax collecting unit~~
6 COUNTY EQUALIZATION DIRECTOR believes that the property for which
7 an exemption has been granted is not qualified agricultural prop-
8 erty, effective for taxes levied after 1994, the ~~assessor~~
9 COUNTY EQUALIZATION DIRECTOR may deny or modify an existing
10 exemption by notifying the owner in writing at the time required
11 for providing a notice under section 24c. THE APPLICABLE ASSESS-
12 ING OFFICER FOR THE LOCAL TAX COLLECTING UNIT IN WHICH QUALIFIED
13 AGRICULTURAL PROPERTY IS LOCATED MAY CONTACT THE COUNTY EQUALIZA-
14 TION DIRECTOR IF THAT ASSESSING OFFICER BELIEVES THAT PROPERTY
15 FOR WHICH AN EXEMPTION HAS BEEN GRANTED IS NOT QUALIFIED AGRICUL-
16 TURAL PROPERTY. A taxpayer may appeal the ~~assessor's~~ COUNTY
17 EQUALIZATION DIRECTOR'S determination to the COUNTY QUALIFIED
18 AGRICULTURAL board of review meeting under section ~~30~~ 29A. A
19 decision of the COUNTY QUALIFIED AGRICULTURAL board of review may
20 be appealed to the residential and small claims division of the
21 Michigan tax tribunal.

22 (8) If an exemption under this section is erroneously grant-
23 ed, an owner may request in writing that the ~~local tax collect-~~
24 ~~ing unit~~ COUNTY EQUALIZATION DIRECTOR withdraw the exemption.
25 If an owner requests that an exemption be withdrawn, the ~~local~~
26 ~~assessor~~ COUNTY EQUALIZATION DIRECTOR shall notify the owner
27 that the exemption issued under this section has been denied

1 based on that owner's request. If an exemption is withdrawn, the
2 property that had been subject to that exemption shall be immedi-
3 ately placed on the tax roll by the local tax collecting unit if
4 the local tax collecting unit has possession of the tax roll or
5 by the county treasurer if the county has possession of the tax
6 roll as though the exemption had not been granted. A corrected
7 tax bill shall be issued for the tax year being adjusted by the
8 local tax collecting unit if the local tax collecting unit has
9 possession of the tax roll or by the county treasurer if the
10 county has possession of the tax roll. If an owner requests that
11 an exemption under this section be withdrawn before that owner is
12 contacted in writing by the ~~local assessor~~ COUNTY EQUALIZATION
13 DIRECTOR regarding that owner's eligibility for the exemption and
14 that owner pays the corrected tax bill issued under this subsec-
15 tion within 30 days after the corrected tax bill is issued, that
16 owner is not liable for any penalty or interest on the additional
17 tax. An owner who pays a corrected tax bill issued under this
18 subsection more than 30 days after the corrected tax bill is
19 issued is liable for the penalties and interest that would have
20 accrued if the exemption had not been granted from the date the
21 taxes were originally levied.

22 (9) An owner of qualified agricultural property for which an
23 exemption was on the tax roll in 1995 and each year after 1995
24 and for which an exemption was not on the tax roll in 1994 may
25 appeal to the July or December board of review in 1997 to have an
26 exemption placed on the 1994 tax roll if all of the following
27 conditions are satisfied:

1 (a) The qualified agricultural property was qualified
2 agricultural property in 1994 and has been qualified agricultural
3 property since 1994.

4 (b) The owner owned that qualified agricultural property on
5 May 1, 1994.

6 (c) If a claim of exemption was denied in 1994, the owner
7 did not timely appeal that denial as provided in this section.

8 (d) The owner has owned that qualified agricultural property
9 since 1994.

10 (10) If the July or December board of review in 1997 grants
11 a claim of exemption for 1994 under subsection (9), the county
12 treasurer with possession of the tax roll being adjusted shall
13 amend the 1994 tax roll to reflect the exemption and shall issue
14 a corrected tax bill exempting that qualified agricultural prop-
15 erty from the tax levied in 1994 for school operating purposes to
16 the extent provided under section 1211 of ~~Act No. 451 of the~~
17 ~~Public Acts of 1976~~ THE REVISED SCHOOL CODE, 1976 PA 451, MCL
18 380.1211, pursuant to subsection (1).

19 (11) If the July or December board of review in 1997 denies
20 a claim of exemption for 1994 under subsection (9), an owner may
21 appeal that denial to the residential and small claims division
22 of the Michigan tax tribunal within 35 days of that denial.

23 (12) AN OWNER OF QUALIFIED AGRICULTURAL PROPERTY SHALL
24 INFORM A PROSPECTIVE BUYER OF THAT QUALIFIED AGRICULTURAL PROP-
25 ERTY THAT IF THE QUALIFIED AGRICULTURAL PROPERTY IS CONVERTED BY
26 A CHANGE IN USE THE QUALIFIED AGRICULTURAL PROPERTY IS SUBJECT TO
27 THE RECAPTURE TAX PROVIDED IN THE AGRICULTURAL PROPERTY RECAPTURE

1 ACT. AS USED IN THIS SUBSECTION, "CONVERTED BY A CHANGE IN USE"
2 MEANS THAT TERM AS DEFINED IN THE AGRICULTURAL PROPERTY RECAPTURE
3 ACT.

4 SEC. 7GG. (1) A GREENHOUSE, BUT NOT THE LAND ON WHICH IT IS
5 LOCATED, AND ALL FLOWERING, NURSERY, OR VEGETABLE PLANTS LOCATED
6 WITHIN THE GREENHOUSE ARE EXEMPT FROM THE COLLECTION OF TAXES
7 UNDER THIS ACT.

8 (2) AS USED IN THIS SECTION, "GREENHOUSE" MEANS A STRUCTURE
9 OR ENCLOSURE CONSISTING OF A WOOD, FIBERGLASS, OR METAL FRAME
10 WITH A GLASS, PLASTIC, ACRYLIC, POLYCARBONATE, POLYETHYLENE, OR
11 SIMILAR COVERING, THAT IS DESIGNED TO REGULATE CLIMATIC CONDI-
12 TIONS IN ORDER TO GERMINATE, GROW, OR STORE FLOWERING, NURSERY,
13 OR VEGETABLE PLANTS.

14 Sec. 10. (1) An assessment of all the property in the state
15 liable to taxation shall be made annually in all townships, vil-
16 lages, and cities, AND IN ALL COUNTIES FOR QUALIFIED AGRICULTURAL
17 PROPERTY, by the applicable assessing officer as provided in sec-
18 tion 3 of article IX of the state constitution of 1963 and sec-
19 tion 27a.

20 (2) Notwithstanding any provision to the contrary in the act
21 of incorporation or charter of a village, an assessment for vil-
22 lage taxes shall be identical to the assessment made by the
23 applicable assessing officer of the township, OR COUNTY FOR QUAL-
24 IFIED AGRICULTURAL PROPERTY, in which the village is located, and
25 tax statements shall set forth clearly the state equalized
26 ~~value~~ VALUATION OR AGRICULTURAL USE VALUE FOR QUALIFIED
27 AGRICULTURAL PROPERTY and the taxable value of the individual

1 properties in the village upon which authorized millages are
2 levied.

3 (3) If a nonresident of the taxing unit requests in writing
4 information regarding the assessment of his or her property, the
5 supervisor or APPLICABLE assessing officer shall reply to the
6 request within a reasonable length of time.

7 Sec. 10d. (1) The annual assessment of property shall be
8 made by an assessor who has been certified as qualified by the
9 board as having successfully completed training in a school of
10 assessment practices or by ~~the passage of~~ HAVING PASSED a test
11 approved by the board and conducted by the board or an agency
12 approved by the board that will enable the person to properly
13 discharge the functions of the office. The school OF ASSESSMENT
14 PRACTICES shall be established by an approved educational insti-
15 tution in conjunction with the board and SHALL be supervised by
16 the board and its agents and employees. The board may determine
17 that a director of an equalization department or an assessor, who
18 has not received the training, possesses the necessary qualifica-
19 tions ~~for performing~~ TO PERFORM the functions of the office by
20 ~~the passage of~~ PASSING an approved examination.

21 (2) The board may also grant a conditional 6-month certifi-
22 cation to a newly elected assessing officer or an assessing offi-
23 cer appointed to fill an unexpired term if all of the following
24 criteria are met:

25 (a) The newly elected or appointed assessing officer makes
26 an application for certification with payment of the required
27 filing fee.

1 (b) The governing body of the local assessing ~~unit~~
2 DISTRICT requests the board to conditionally certify the newly
3 elected or appointed assessing officer.

4 (c) The newly elected or appointed assessing officer or the
5 governing body OF THE LOCAL ASSESSING DISTRICT submits a state-
6 ment outlining the course of training he or she plans to pursue.

7 (d) The period of time for which the conditional certifica-
8 tion is requested does not exceed 6 months after the date that
9 ~~he or she~~ THE NEWLY ELECTED OR APPOINTED ASSESSING OFFICER
10 assumes office.

11 (3) Conditional certification UNDER SUBSECTION (2) shall not
12 be granted for any ~~assessment unit~~ LOCAL ASSESSING DISTRICT
13 more than once in 4 years.

14 (4) Conditional certification under subsection (2) shall
15 only be granted to a newly elected or appointed assessing officer
16 in ~~an assessment unit which~~ A LOCAL ASSESSING DISTRICT THAT
17 does not exceed a total state equalized valuation of
18 \$125,000,000.00.

19 (5) Upon presentation of evidence of the successful comple-
20 tion of the qualifications, the assessor shall be certified as
21 qualified by the board.

22 (6) A local assessing district ~~which~~ THAT does not have an
23 assessor qualified by certification of the board may employ ~~an~~
24 A CERTIFIED assessor. ~~so qualified.~~ If a local assessing dis-
25 trict does not have an assessor qualified by certification of the
26 board, and has not employed a certified assessor, the assessment
27 shall be made by the county tax or equalization department or the

1 state tax commission and the cost of preparing the TAX rolls
2 shall be charged to the local assessing district.

3 (7) Every lawful assessment roll shall have a certificate
4 attached signed by the certified assessor who prepared or super-
5 vised the preparation of the roll. The certificate shall be in
6 the form prescribed by the state tax commission. If after com-
7 pleting the assessment roll the certified assessor for the local
8 assessing district dies or otherwise becomes incapable of certi-
9 fying the assessment roll, the county equalization director or
10 the state tax commission shall certify the completed assessment
11 roll at no cost to the local assessing district.

12 (8) The local assessing district shall assume the cost of
13 training, if a certification is awarded, to the extent of course
14 fees and recognized travel expenditures.

15 (9) An assessor who certifies an assessment roll in which he
16 or she did not have direct supervision is guilty of a
17 misdemeanor.

18 (10) The board shall promulgate rules for the issuance or
19 revocation of certification.

20 (11) The director of a county tax or equalization department
21 required by section 34 of this act shall be certified by the
22 board at the level determined to be necessary by the board before
23 being appointed by the county board of commissioners pursuant to
24 section 34 or before performing ~~or, after the effective date of~~
25 ~~this subsection, continuing to perform,~~ the functions of the
26 director of a county tax or equalization department. ~~The board~~
27 ~~may grant a conditional extension of 12 months to a person who is~~

1 ~~serving as the director of a county tax or equalization~~
2 ~~department on the effective date of this subsection if all of the~~
3 ~~following conditions are satisfied:~~

4 ~~(a) At the time of making application for certification the~~
5 ~~person is currently certified at not less than 1 level below the~~
6 ~~level required by the board for that county.~~

7 ~~(b) The person makes application for certification with pay=~~
8 ~~ment of the required fee.~~

9 ~~(c) The county board of commissioners requests the board to~~
10 ~~grant the extension.~~

11 ~~(d) The person submits a statement to the board outlining~~
12 ~~the course of study he or she intends to pursue to obtain~~
13 ~~certification.~~

14 ~~The board may grant an additional 6-month extension if the exten=~~
15 ~~sion is requested by the county board of commissioners and the~~
16 ~~applicant demonstrates satisfactory progress in the course of~~
17 ~~study outlined to the board under this subsection.~~ In a county
18 in which a vacancy has been created in the position of director
19 of a county tax or equalization department and in which the posi=
20 tion was previously filled by a person certified at the level
21 required by the board pursuant to this subsection, a person cer=
22 tified at 1 level below the level required by the board pursuant
23 to this subsection may serve in the position for 12 months after
24 the vacancy has been created.

25 (12) AS USED IN THIS SECTION, "LOCAL ASSESSING DISTRICT"
26 INCLUDES, FOR QUALIFIED AGRICULTURAL PROPERTY, A COUNTY.

1 Sec. 10f. (1) If a local assessing district does not have
2 an assessment roll that has been certified by a qualified
3 certified assessing officer, or if a certified assessor or a
4 board of review for a local tax collecting unit is not in sub-
5 stantial compliance with the provisions of this act, the state
6 tax commission shall assume jurisdiction over the assessment roll
7 and provide for the preparation of a certified roll. The STATE
8 TAX commission may order the county tax or equalization depart-
9 ment to prepare the roll; may provide for the use of state
10 employees to prepare the roll; or may order the local assessing
11 ~~unit~~ DISTRICT to contract with a commercial appraisal firm to
12 conduct an appraisal of the property in the LOCAL assessing
13 ~~unit~~ DISTRICT under the supervision of the county tax or equal-
14 ization department and the STATE TAX commission. The costs of an
15 appraisal and the preparation of the roll by the county tax or
16 equalization department or by the STATE TAX commission shall be
17 paid by the local assessing district as provided by section 10d.
18 The commission shall consider the quality of the tax maps and
19 appraisal records required by section 10e as part of its investi-
20 gation of the facts before ordering the local assessing ~~unit~~
21 DISTRICT to contract for an appraisal.

22 (2) If a certified assessment roll cannot be provided in
23 sufficient time for a summer tax levy, or for the annual levy on
24 December 1, the STATE TAX commission shall order the levy of
25 interim taxes based on the tentative taxable value of individual
26 properties as determined by the STATE TAX commission. Tentative
27 taxable values shall be calculated pursuant to section 27a.

1 State equalized values necessary to determine tentative taxable
2 values shall be determined by the STATE TAX commission, sitting
3 as the state board of equalization, apportioned to the local
4 assessing ~~unit~~ DISTRICT by the county board of commissioners,
5 and apportioned to each property in proportion to the assessed
6 valuation entered in the current uncertified assessment roll. If
7 there is no current assessment roll, the STATE TAX commission
8 shall substitute the latest complete assessment roll for the cur-
9 rent roll for the interim tax levy. The payment of a tax levied
10 as an interim tax levy does not constitute a final and ultimate
11 discharge of the taxpayer's liability for the tax levied against
12 that property. An interim tax levy made under this subsection
13 shall be clearly labeled as an "interim tax levy subject to
14 adjustment after an assessment roll is certified".

15 (3) Within 30 days after the final determination by the
16 STATE TAX commission of the assessed valuation and taxable value
17 for each individual property listed on the assessment roll, the
18 STATE TAX commission shall cause to be mailed a notice of the new
19 assessment and new taxable value to each owner. An owner has the
20 right to petition the tax tribunal directly for a hearing on the
21 assessed valuation or taxable value within 30 days after the date
22 of the notice in the same manner as provided under section 35 of
23 the tax tribunal act, ~~Act No. 186 of the Public Acts of 1973,~~
24 ~~being section 205.735 of the Michigan Compiled Laws~~ 1973 PA 186,
25 MCL 205.735. The notice shall specify each parcel of property,
26 the assessed valuation for the current year, the assessed
27 valuation for the immediately preceding year, the tentative

1 taxable value for the current year, the taxable value for the
2 immediately preceding year, the state equalized valuation for the
3 immediately preceding year, the tentative state equalized valua-
4 tion for the current year, the net change in the assessed valua-
5 tion, the net change in the tentative taxable value, and the net
6 change between the tentative state equalized valuation for the
7 current year and the state equalized valuation for the immedi-
8 ately preceding year. The notice shall include a statement
9 informing the owner that an appeal of the assessment or taxable
10 value must be made within 30 days of the date of the assessment
11 notice directly to the tax tribunal and shall also include infor-
12 mation on how and where an appeal can be made.

13 (4) After the final determination of the state equalized
14 valuations and taxable values by the STATE TAX commission, the
15 APPLICABLE assessing officer or, if there is no assessing offi-
16 cer, an agent designated by the STATE TAX commission shall deter-
17 mine the difference in tax, if any, between the interim levy and
18 a levy made on the final taxable values as finally determined by
19 the STATE TAX commission, which may be referred to as the "final
20 levy". The final levy shall be at the rates that were approved
21 and ordered spread for the year in which there was not a certi-
22 fied assessment roll.

23 (5) A difference in the tax determined in subsection (4)
24 shall be reported to the county board of commissioners, which
25 shall order that additional taxes or credits against individual
26 properties be added to or subtracted from the next succeeding
27 annual tax roll, together with a proportionate share of the

1 property tax administration fee, if a fee is charged, applicable
2 to the difference.

3 (6) Additional taxes collected or credits against the tax
4 liability made under this section shall be shared by taxing units
5 in the respective proportions that they share the revenue
6 received from the final levy.

7 (7) The STATE TAX commission shall render technical assist-
8 ance if necessary to implement this section.

9 (8) The STATE TAX commission shall provide the tax tribunal
10 with a certified copy of its orders and a copy of each final
11 determination made under this section.

12 (9) AS USED IN THIS SECTION, "LOCAL ASSESSING DISTRICT"
13 INCLUDES, FOR QUALIFIED AGRICULTURAL PROPERTY, A COUNTY.

14 Sec. 24. (1) On or before the first Monday in March in each
15 year, the ~~supervisor or assessor~~ APPLICABLE ASSESSING OFFICER
16 shall make and complete an assessment roll, upon which he or she
17 shall set down the name and address of every person liable to be
18 taxed ~~in the township or assessment district~~ with a full
19 description of all the real property liable to be taxed. If the
20 name of the owner or occupant of any tract or parcel of real
21 property is known, the ~~assessor~~ APPLICABLE ASSESSING OFFICER
22 shall enter the name and address of the owner or occupant oppo-
23 site to the description of the property. If unknown, the real
24 property described upon the roll shall be assessed as "owner
25 unknown". All contiguous subdivisions of any section that are
26 owned by 1 person, firm, corporation, or other legal entity and
27 all unimproved lots in any block that are contiguous and owned by

1 1 person, firm, corporation, or other legal entity shall be
2 assessed as 1 parcel, unless demand in writing is made by the
3 owner or occupant to have each subdivision of the section or each
4 lot assessed separately. However, failure to assess contiguous
5 parcels as entireties does not invalidate the assessment as
6 made. Each description shall show as near as possible the number
7 of acres contained in it, as determined by the ~~assessor~~
8 APPLICABLE ASSESSING OFFICER. It is not necessary for the
9 assessment roll to specify the quantity of land comprised in any
10 town, city, or village lot. The ~~assessor~~ APPLICABLE ASSESSING
11 OFFICER shall estimate, according to his or her best information
12 and judgment, the TRUE CASH VALUE AND AGRICULTURAL USE VALUE FOR
13 QUALIFIED AGRICULTURAL PROPERTY AND THE true cash value and
14 assessed value of every parcel of real property THAT IS NOT QUAL-
15 IFIED AGRICULTURAL PROPERTY and set the AGRICULTURAL USE VALUE OR
16 assessed value down opposite the parcel. The ~~assessor~~
17 APPLICABLE ASSESSING OFFICER shall calculate the tentative tax-
18 able value of every parcel of real property and set that value
19 down opposite the parcel. The ~~assessor~~ APPLICABLE ASSESSING
20 OFFICER shall determine the percentage of value of every parcel
21 of real property that is exempt from the tax levied by a local
22 school district for school operating purposes to the extent pro-
23 vided under section 1211 of the school code of 1976, ~~Act No. 451~~
24 ~~of the Public Acts of 1976, being section 380.1211 of the~~
25 ~~Michigan Compiled laws~~ 1976 PA 451, MCL 380.1211, and set that
26 percentage of value down opposite the parcel. The ~~assessor~~
27 APPLICABLE ASSESSING OFFICER shall determine the date of the last

1 transfer of ownership of every parcel of real property occurring
2 after December 31, 1994 and set that date down opposite the
3 parcel. The ~~assessor~~ APPLICABLE ASSESSING OFFICER shall also
4 estimate the true cash value of all the personal property of each
5 person, and set the assessed value and tentative taxable value
6 down opposite the name of the person. In determining the prop-
7 erty to be assessed and in estimating the value of that property,
8 the ~~assessor~~ APPLICABLE ASSESSING OFFICER is not bound to
9 follow the statements of any person, but shall exercise his or
10 her best judgment. Property assessed to a person other than the
11 owner shall be assessed separately from the owner's property and
12 shall show in what capacity it is assessed to that person,
13 whether as agent, guardian, or otherwise. Two or more persons
14 not being copartners, owning personal property in common, may
15 each be assessed severally for each person's portion. Undivided
16 interests in lands owned by tenants in common, or joint tenants
17 not being copartners, may be assessed to the owners.

18 (2) The state geologist, or his or her duly authorized
19 deputy, shall determine, according to his or her best information
20 and judgment, the true cash value of the metallic mining proper-
21 ties and mineral rights consisting of metallic resources that are
22 either producing, developed, or have a known commercial mineral
23 value, including surface rights and personal property that may be
24 used in the operation or development of the property assessed, or
25 any stockpile of ore or mineral stored on the surface. For the
26 purpose of encouraging the exploration and development of
27 metallic mineral resources, metallic mineral ore newly discovered

1 or proven in the ground and not part of the property of an
2 operating mine shall be exempt from the taxes collected under
3 this act for a maximum period of 10 years or until the time it
4 becomes part of the property of an operating mine or it in itself
5 becomes an operating mine. Metallic mineral ore newly discovered
6 or proven in the ground and part of the property of an operating
7 mine shall be exempt from taxes collected under this act until
8 it, in combination with previously discovered metallic mineral
9 ore of the operating mine, comes into a 10-year recovery period
10 of the mine as determined by the average normal annual rate of
11 extraction of the mine.

12 (3) An operating mine shall be defined to be an operating
13 mine as of the date of starting of a shaft, stripping of overbur-
14 den, or rehabilitation, or an abandoned or idle mine closed for
15 not less than 2 years. Ore shall not enjoy more than 10 years'
16 exemption from taxation. This section does not exempt from the
17 taxes collected under this act ore reserves proven as of April 1,
18 1947. It is the intent of this act that mineral properties shall
19 be valued and assessed in the future for ad valorem taxes accord-
20 ing to the formula used in the valuation of mineral properties
21 before the effective date of this act. It is the intent of this
22 act that no metallic mineral ore shall be exempt more than 10
23 years because of the application of this act and if at any time
24 it becomes evident that such is the case, the state tax commis-
25 sion shall determine the value of this untaxed ore and place this
26 valuation on the proper tax roll. The state geologist shall
27 report his or her determination of the true cash value of the

1 mineral properties to the state tax commission on or before
2 February 10 of each year. The state tax commission shall assess
3 the mineral properties containing 20% or more of natural iron per
4 ton of ore in conformity and uniformity with all other property
5 within the assessing district. The state tax commission shall
6 assess all other metallic mineral properties at the value certi-
7 fied by the state geologist. The state tax commission, as early
8 as is practicable before February 20, shall certify the assess-
9 ment of the property to the supervisor or APPLICABLE assessing
10 officer of the township or city in which the property is situat-
11 ed, who shall for the mineral properties and mineral rights that
12 are owned separate from the surface rights on the property assess
13 each to the owner at the valuation certified to him or her.
14 However, an adjustment to the value certified by the state tax
15 commission may be made by the supervisor or APPLICABLE assessing
16 officer of the township or city to reflect any general adjustment
17 of assessed valuation from the immediately preceding year not
18 included in the state tax commission computation. The supervisor
19 or APPLICABLE assessing officer shall determine the true cash
20 value of the surface rights and assess the value of the surface
21 rights to the owner. The assessment upon the metallic mining
22 properties and mineral rights may be altered from year to year
23 regardless of whether any previous assessment has been reviewed
24 by the state tax commission. The supervisor or other ~~local~~
25 APPLICABLE assessing officer or the owner of any interest in the
26 property assessed may appeal the assessment and valuation of the
27 property as determined by the board of review to the state tax

1 commission which shall review the assessment and valuation as
2 provided in section 152.

3 Sec. 24a. (1) Notwithstanding any other provisions of this
4 act, a county, by resolution of the board of ~~supervisors~~
5 COMMISSIONERS, may prepare tax rolls and ~~extend~~ SUBMIT BILLS
6 FOR the taxes ~~thereon~~ ON THOSE TAX ROLLS for the ~~cities and~~
7 ~~townships~~ LOCAL UNITS in ~~the~~ THAT county at the expense of
8 ~~the~~ THAT county or the local ~~unit~~ UNITS.

9 (2) FOR TAXES LEVIED AFTER DECEMBER 31, 2000, THE COUNTY
10 EQUALIZATION DIRECTOR SHALL PREPARE THE TAX ROLL FOR ALL QUALI-
11 FIED AGRICULTURAL PROPERTY LOCATED WITHIN THAT COUNTY. IF PROP-
12 ERTY PREVIOUSLY ASSESSED AS QUALIFIED AGRICULTURAL PROPERTY IS NO
13 LONGER QUALIFIED AGRICULTURAL PROPERTY, THE COUNTY EQUALIZATION
14 DIRECTOR SHALL TRANSMIT ALL APPLICABLE ASSESSING RECORDS FOR THAT
15 PROPERTY TO THE APPLICABLE ASSESSING OFFICER FOR THE LOCAL TAX
16 COLLECTING UNIT IN WHICH THE FORMER QUALIFIED AGRICULTURAL PROP-
17 ERTY IS LOCATED. THE COUNTY EQUALIZATION DIRECTOR SHALL ANNUALLY
18 REPORT CERTAIN QUALIFIED AGRICULTURAL PROPERTY VALUATION DATA TO
19 THE STATE TAX COMMISSION ON A FORM PRESCRIBED BY THE STATE TAX
20 COMMISSION. AS USED IN THIS SECTION, "QUALIFIED AGRICULTURAL
21 PROPERTY" MEANS PROPERTY EXEMPT FROM THE TAX LEVIED BY A LOCAL
22 SCHOOL DISTRICT FOR SCHOOL OPERATING PURPOSES UNDER SECTION 7EE.

23 Sec. 24b. (1) The tax roll and the tax statement shall
24 clearly set forth the latest taxable value for each item of
25 property.

1 (2) The ~~supervisor or assessor~~ APPLICABLE ASSESSING
2 OFFICER shall spread the taxes on the tax roll on the taxable
3 value for each item of property.

4 (3) These requirements do not apply if the current year's
5 state equalized valuation or taxable value is not available when
6 the tax roll or tax statements of a city are prepared under a law
7 or charter provision.

8 Sec. 24c. (1) The ~~assessor~~ APPLICABLE ASSESSING OFFICER
9 shall give to each owner or person or persons listed on the
10 assessment roll of the property a notice by first-class mail of
11 an increase in the tentative state equalized valuation, THE TEN-
12 TATIVE AGRICULTURAL USE VALUE, or the tentative taxable value for
13 the year. The notice shall specify each parcel of property, the
14 tentative taxable value for the current year and, beginning in
15 1996, the taxable value for the immediately preceding year. The
16 notice shall also specify the time and place of the meeting of
17 the board of review. Beginning in 1996, the notice shall also
18 specify the difference between the property's tentative taxable
19 value in the current year and the property's taxable value in the
20 immediately preceding year.

21 (2) The notice shall include, in addition to the information
22 required by subsection (1), all of the following:

23 (a) The state equalized valuation for the immediately pre-
24 ceding year.

25 (b) The tentative state equalized valuation for the current
26 year.

1 (c) The net change between the tentative state equalized
2 valuation for the current year and the state equalized valuation
3 for the immediately preceding year.

4 (D) FOR QUALIFIED AGRICULTURAL PROPERTY, ALL OF THE
5 FOLLOWING:

6 (i) BEGINNING IN 2002, THE AGRICULTURAL USE VALUE FOR THE
7 IMMEDIATELY PRECEDING YEAR.

8 (ii) THE TENTATIVE AGRICULTURAL USE VALUE FOR THE CURRENT
9 YEAR.

10 (iii) BEGINNING IN 2002, THE NET CHANGE BETWEEN THE TENTA-
11 TIVE AGRICULTURAL USE VALUE FOR THE CURRENT YEAR AND THE AGRICUL-
12 TURAL USE VALUE FOR THE IMMEDIATELY PRECEDING YEAR.

13 (iv) THE RECAPTURE TAX THAT WOULD BE IMPOSED UNDER THE AGRI-
14 CULTURAL PROPERTY RECAPTURE ACT IF THE QUALIFIED AGRICULTURAL
15 PROPERTY WERE CONVERTED BY A CHANGE IN USE. AS USED IN THIS SUB-
16 PARAGRAPH, "CONVERTED BY A CHANGE IN USE" MEANS THAT TERM AS
17 DEFINED IN THE AGRICULTURAL PROPERTY RECAPTURE ACT.

18 (E) ~~-(d)-~~ The classification of the property as defined by
19 section 34c AND WHETHER THAT PROPERTY IS QUALIFIED AGRICULTURAL
20 PROPERTY EXEMPT FROM THE TAX LEVIED BY A LOCAL SCHOOL DISTRICT
21 FOR SCHOOL OPERATING PURPOSES UNDER SECTION 7EE.

22 (F) ~~-(e)-~~ The inflation rate for the immediately preceding
23 year as defined in section 34d.

24 (G) ~~-(f)-~~ A statement provided by the state tax commission
25 explaining the relationship between state equalized valuation and
26 taxable value OR, FOR QUALIFIED AGRICULTURAL PROPERTY, THE
27 RELATIONSHIP BETWEEN THE AGRICULTURAL USE VALUE AND TAXABLE

1 VALUE. Beginning in 1996, if the ~~assessor~~ APPLICABLE ASSESSING
2 OFFICER believes that a transfer of ownership has occurred in the
3 immediately preceding year, the statement shall state that the
4 ownership was transferred and that the taxable value of that
5 property is the same as the state equalized valuation of that
6 property OR, FOR QUALIFIED AGRICULTURAL PROPERTY, THE SAME AS THE
7 AGRICULTURAL USE VALUE.

8 (3) When required by the income tax act of 1967, ~~Act~~
9 ~~No. 281 of the Public Acts of 1967, being sections 206.1 to~~
10 ~~206.532 of the Michigan Compiled Laws~~ 1967 PA 281, MCL 206.1 TO
11 206.532, the assessment notice shall include or be accompanied by
12 information or forms prescribed by ~~Act No. 281 of the Public~~
13 ~~Acts of 1967~~ THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.1
14 TO 206.532.

15 (4) The assessment notice shall be addressed to the owner
16 according to the records of the ~~assessor~~ APPLICABLE ASSESSING
17 OFFICER and mailed not less than 10 days before the meeting of
18 the APPLICABLE board of review. The failure to send or receive
19 an assessment notice does not invalidate an assessment roll or an
20 assessment on that property.

21 (5) The tentative state equalized valuation shall be calcu-
22 lated by multiplying the assessment by the tentative equalized
23 valuation multiplier. If the ~~assessor~~ APPLICABLE ASSESSING
24 OFFICER has made assessment adjustments that would have changed
25 the tentative multiplier, the ~~assessor~~ APPLICABLE ASSESSING
26 OFFICER may recalculate the multiplier for use in the notice.

1 (6) The state tax commission shall prepare a model
2 assessment notice form that shall be made available to local
3 units of government.

4 (7) Beginning in 1995, the assessment notice under subsec-
5 tion (1) shall include the following statement:

6 "If you purchased your homestead after May 1 last
7 year, to claim the homestead exemption, if you have
8 not already done so, you are required to file an
9 affidavit before May 1."

10 Sec. 27a. (1) Except as otherwise provided in this section
11 AND SECTION 27E, property shall be assessed at 50% of its true
12 cash value under section 3 of article IX of the state constitu-
13 tion of 1963.

14 (2) Except as otherwise provided in subsection (3), for
15 taxes levied in 1995 and for each year after 1995, the taxable
16 value of each parcel of property is the lesser of the following:

17 (a) The property's taxable value in the immediately preced-
18 ing year minus any losses, multiplied by the lesser of 1.05 or
19 the inflation rate, plus all additions. For taxes levied in
20 1995, the property's taxable value in the immediately preceding
21 year is the property's state equalized valuation in 1994.

22 (b) The property's current state equalized valuation.

23 (3) Upon a transfer of ownership of property after 1994, the
24 property's taxable value for the calendar year following the year
25 of the transfer is the property's state equalized valuation for
26 the calendar year following the transfer.

1 (4) If the taxable value of property is adjusted under
2 subsection (3), a subsequent increase in the property's taxable
3 value is subject to the limitation set forth in subsection (2)
4 until a subsequent transfer of ownership occurs.

5 (5) Assessment of property, as required in this section and
6 section 27, is inapplicable to the assessment of property subject
7 to the levy of ad valorem taxes within voted tax limitation
8 increases to pay principal and interest on limited tax bonds
9 issued by any governmental unit, including a county, township,
10 community college district, or school district, before January 1,
11 1964, if the assessment required to be made under this act would
12 be less than the assessment as state equalized prevailing on the
13 property at the time of the issuance of the bonds. This inappli-
14 cability shall continue until levy of taxes to pay principal and
15 interest on the bonds is no longer required. The assessment of
16 property required by this act shall be applicable for all other
17 purposes.

18 (6) As used in this act, "transfer of ownership" means the
19 conveyance of title to or a present interest in property, includ-
20 ing the beneficial use of the property, the value of which is
21 substantially equal to the value of the fee interest. Transfer
22 of ownership of property includes, but is not limited to, the
23 following:

24 (a) A conveyance by deed.

25 (b) A conveyance by land contract. The taxable value of
26 property conveyed by a land contract executed after December 31,
27 1994 shall be adjusted under subsection (3) for the calendar year

1 following the year in which the contract is entered into and
2 shall not be subsequently adjusted under subsection (3) when the
3 deed conveying title to the property is recorded in the office of
4 the register of deeds in the county in which the property is
5 located.

6 (c) A conveyance to a trust after December 31, 1994, except
7 if the settlor or the settlor's spouse, or both, conveys the
8 property to the trust and the sole present beneficiary or benefi-
9 ciaries are the settlor or the settlor's spouse, or both.

10 (d) A conveyance by distribution from a trust, except if the
11 distributee is the sole present beneficiary or the spouse of the
12 sole present beneficiary, or both.

13 (e) A change in the sole present beneficiary or beneficia-
14 ries of a trust, except a change that adds or substitutes the
15 spouse of the sole present beneficiary.

16 (f) A conveyance by distribution under a will or by intes-
17 tate succession, except if the distributee is the decedent's
18 spouse.

19 (g) A conveyance by lease if the total duration of the
20 lease, including the initial term and all options for renewal, is
21 more than 35 years or the lease grants the ~~leasee~~ LESSEE a bar-
22 gain purchase option. As used in this subdivision, "bargain pur-
23 chase option" means the right to purchase the property at the
24 termination of the lease for not more than 80% of the property's
25 projected true cash value at the termination of the lease. After
26 December 31, 1994, the taxable value of property conveyed by a
27 lease with a total duration of more than 35 years or with a

1 bargain purchase option shall be adjusted under subsection (3)
2 for the calendar year following the year in which the lease is
3 entered into. This subdivision does not apply to personal prop-
4 erty except buildings described in section 14(6) and personal
5 property described in section 8(h), (i), and (j). This subdivi-
6 sion does not apply to that portion of the property not subject
7 to the leasehold interest conveyed.

8 (h) A conveyance of an ownership interest in a corporation,
9 partnership, sole proprietorship, limited liability company,
10 limited liability partnership, or other legal entity if the
11 ownership interest conveyed is more than 50% of the corporation,
12 partnership, sole proprietorship, limited liability company,
13 limited liability partnership, or other legal entity. Unless
14 notification is provided under subsection (8), the corporation,
15 partnership, sole proprietorship, limited liability company,
16 limited liability partnership, or other legal entity shall notify
17 the APPLICABLE assessing officer on a form provided by the state
18 tax commission not more than 45 days after a conveyance of an
19 ownership interest that constitutes a transfer of ownership under
20 this subdivision.

21 (i) A transfer of property held as a tenancy in common,
22 except that portion of the property not subject to the ownership
23 interest conveyed.

24 (j) A conveyance of an ownership interest in a cooperative
25 housing corporation, except that portion of the property not
26 subject to the ownership interest conveyed.

1 (7) Transfer of ownership does not include the following:

2 (a) The transfer of property from 1 spouse to the other
3 spouse or from a decedent to a surviving spouse.

4 (b) A transfer from a husband, a wife, or a husband and wife
5 creating or disjoining a tenancy by the entirety in the grant-
6 ors or the grantor and his or her spouse.

7 (c) A transfer of that portion of property subject to a life
8 estate or life lease retained by the transferor, until expiration
9 or termination of the life estate or life lease. That portion of
10 property transferred that is not subject to a life lease shall be
11 adjusted under subsection (3).

12 (d) A transfer through foreclosure or forfeiture of a
13 recorded instrument under chapter 31, 32, or 57 of the revised
14 judicature act of 1961, ~~Act No. 236 of the Public Acts of 1961,~~
15 ~~being sections 600.3101 to 600.3280 and 600.5701 to 600.5785 of~~
16 ~~the Michigan Compiled Laws 1961 PA 236, MCL 600.3101 TO 600.3280~~
17 ~~AND 600.5701 TO 600.5785,~~ or through deed or conveyance in lieu
18 of a foreclosure or forfeiture, until the mortgagee or land con-
19 tract vendor subsequently transfers the property. If a mortgagee
20 does not transfer the property within 1 year of the expiration of
21 any applicable redemption period, the property shall be adjusted
22 under subsection (3).

23 (e) A transfer by redemption by the person to whom taxes are
24 assessed of property previously sold for delinquent taxes.

25 (f) A conveyance to a trust if the settlor or the settlor's
26 spouse, or both, conveys the property to the trust and the sole

1 present beneficiary of the trust is the settlor or the settlor's
2 spouse, or both.

3 (g) A transfer pursuant to a judgment or order of a court of
4 record making or ordering a transfer, unless a specific monetary
5 consideration is specified or ordered by the court for the
6 transfer.

7 (h) A transfer creating or terminating a joint tenancy
8 between 2 or more persons if at least 1 of the persons was an
9 original owner of the property before the joint tenancy was ini-
10 tially created and, if the property is held as a joint tenancy at
11 the time of conveyance, at least 1 of the persons was a joint
12 tenant when the joint tenancy was initially created and that
13 person has remained a joint tenant since the joint tenancy was
14 initially created. A joint owner at the time of the last trans-
15 fer of ownership of the property is an original owner of the
16 property. For purposes of this subdivision, a person is an orig-
17 inal owner of property owned by that person's spouse.

18 (i) A transfer for security or an assignment or discharge of
19 a security interest.

20 (j) A transfer of real property or other ownership interests
21 among members of an affiliated group. As used in this subsec-
22 tion, "affiliated group" means 1 or more corporations connected
23 by stock ownership to a common parent corporation. Upon request
24 by the state tax commission, a corporation shall furnish proof
25 within 45 days that a transfer meets the requirements of this
26 subdivision. A corporation that fails to comply with a request

1 by the state tax commission under this subdivision is subject to
2 a fine of \$200.00.

3 (k) Normal public trading of shares of stock or other owner-
4 ship interests that, over any period of time, cumulatively repre-
5 sent more than 50% of the total ownership interest in a corpora-
6 tion or other legal entity and are traded in multiple transac-
7 tions involving unrelated individuals, institutions, or other
8 legal entities.

9 (l) A transfer of real property or other ownership interests
10 among corporations, partnerships, limited liability companies,
11 limited liability partnerships, or other legal entities if the
12 entities involved are commonly controlled. Upon request by the
13 state tax commission, a corporation, partnership, limited liabil-
14 ity company, limited liability partnership, or other legal entity
15 shall furnish proof within 45 days that a transfer meets the
16 requirements of this subdivision. A corporation, partnership,
17 limited liability company, limited liability partnership, or
18 other legal entity that fails to comply with a request by the
19 state tax commission under this subdivision is subject to a fine
20 of \$200.00.

21 (m) A direct or indirect transfer of real property or other
22 ownership interests resulting from a transaction that qualifies
23 as a tax-free reorganization under section 368 of the internal
24 revenue code of 1986. ~~-, 26 U.S.C. 368.~~ Upon request by the
25 state tax commission, a property owner shall furnish proof within
26 45 days that a transfer meets the requirements of this
27 subdivision. A property owner who fails to comply with a request

1 by the state tax commission under this subdivision is subject to
2 a fine of \$200.00.

3 (8) The register of deeds of the county where deeds or other
4 title documents are recorded shall notify the APPLICABLE assess-
5 ing officer of the appropriate local taxing unit not less than
6 once each month of any recorded transaction involving the owner-
7 ship of property and shall make any recorded deeds or other title
8 documents available to that county's tax or equalization
9 department. Unless notification is provided under subsection
10 (6), the buyer, grantee, or other transferee of the property
11 shall notify the appropriate assessing office in the local unit
12 of government in which the property is located of the transfer of
13 ownership of the property within 45 days of the transfer of
14 ownership, on a form prescribed by the state tax commission that
15 states the parties to the transfer, the date of the transfer, the
16 actual consideration for the transfer, and the property's parcel
17 identification number or legal description. Forms filed in the
18 assessing office of a local unit of government under this subsec-
19 tion shall be made available to the county tax or equalization
20 department for the county in which that local unit of government
21 is located. This subsection does not apply to personal property
22 except buildings described in section 14(6) and personal property
23 described in section 8(h), (i), and (j).

24 (9) As used in this section:

25 (a) "Additions" means that term as defined in section 34d.

1 (b) "Beneficial use" means the right to possession, use, and
2 enjoyment of property, limited only by encumbrances, easements,
3 and restrictions of record.

4 (c) "Inflation rate" means that term as defined in section
5 34d.

6 (d) "Losses" means that term as defined in section 34d.

7 Sec. 27b. (1) If the buyer, grantee, or other transferee in
8 the immediately preceding transfer of ownership of property does
9 not notify the ~~appropriate~~ APPLICABLE assessing ~~office~~
10 OFFICER as required ~~by~~ UNDER section 27a(8) OR, FOR QUALIFIED
11 AGRICULTURAL PROPERTY, UNDER SECTION 27E, the property's taxable
12 value shall be adjusted under section 27a(3) OR, FOR QUALIFIED
13 AGRICULTURAL PROPERTY, UNDER SECTION 27E(3) and all of the fol-
14 lowing shall be levied:

15 (a) Any additional taxes that would have been levied if the
16 transfer of ownership had been recorded as required under this
17 act from the date of transfer.

18 (b) Interest and penalty from the date the tax would have
19 been originally levied.

20 (c) A penalty of \$5.00 per day for each separate failure
21 beginning after the 45 days have elapsed, up to a maximum of
22 \$200.00.

23 (2) The ~~appropriate~~ APPLICABLE assessing officer shall
24 certify for collection to the treasurer of the local tax collect-
25 ing unit if the local tax collecting unit has possession of the
26 tax roll or the county treasurer if the county has possession of

1 the tax roll any additional taxes due under subsection (1)(a) and
2 any penalty due under subsection (1)(c).

3 (3) The treasurer of the local tax collecting unit if the
4 local tax collecting unit has possession of the tax roll or the
5 county treasurer if the county has possession of the tax roll
6 shall collect any taxes, interest, and penalty due pursuant to
7 this section, and shall immediately prepare and submit a cor-
8 rected tax bill for any additional taxes due under subsection
9 (1)(a) and any interest and penalty due under subsection (1)(b).
10 A penalty due under subsection (1)(c) may be collected with the
11 immediately succeeding regular tax bill.

12 (4) Any taxes, interest, and penalty collected pursuant to
13 subsection (1)(a) and (b) shall be distributed in the same manner
14 as other delinquent taxes, interest, and penalties are distrib-
15 uted under this act. Any penalty collected under
16 subsection (1)(c) shall be distributed to the local tax collect-
17 ing unit.

18 (5) The governing body of a local tax collecting unit may
19 waive, by resolution, the penalty levied under subsection
20 (1)(c).

21 (6) If the taxable value of property is increased under this
22 section, the ~~appropriate~~ APPLICABLE assessing officer shall
23 immediately notify by first-class mail the owner of that property
24 of that increase in taxable value. A buyer, grantee, or other
25 transferee may appeal any increase in taxable value or the levy
26 of any additional taxes, interest, and penalties under
27 subsection (1) to the Michigan tax tribunal within 35 days of

1 receiving the notice of the increase in the property's taxable
2 value. An appeal under this subsection is limited to the issues
3 of whether a transfer of ownership has occurred and correcting
4 arithmetic errors. A dispute regarding the valuation of the
5 property is not a basis for appeal under this subsection.

6 (7) If the taxable value of property is adjusted under sub-
7 section (1), the APPLICABLE assessing officer making the adjust-
8 ment shall file an affidavit with all officials responsible for
9 determining assessment figures, rate of taxation, or mathematical
10 calculations for that property within 30 days of the date the
11 adjustment is made. The affidavit shall state the amount of the
12 adjustment and the amount of additional taxes levied. The offi-
13 cials with whom the affidavit is filed shall correct all official
14 records for which they are responsible to reflect the adjustment
15 and levy.

16 Sec. 27c. If the buyer, grantee, or other transferee in any
17 preceding transfer of ownership of property does not notify the
18 ~~appropriate~~ APPLICABLE assessing ~~office~~ OFFICER as required
19 by section 27a(8) OR, FOR QUALIFIED AGRICULTURAL PROPERTY, UNDER
20 SECTION 27E(5), a taxing unit may sue that buyer, grantee, or
21 other transferee as provided in section 47 for all of the
22 following:

23 (a) Any additional taxes that would have been levied if the
24 transfer of ownership had been recorded as required under this
25 act from the date of transfer.

26 (b) Interest and penalty from the date the tax would have
27 been originally levied.

1 (c) A penalty of \$5.00 per day for each separate failure
2 beginning after the 45 days have elapsed, up to a maximum of
3 \$200.00.

4 SEC. 27E. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,
5 BEGINNING DECEMBER 31, 2000, PROPERTY THAT IS QUALIFIED AGRICUL-
6 TURAL PROPERTY SHALL BE ASSESSED AT 50% OF ITS AGRICULTURAL USE
7 VALUE UNDER SECTION 3 OF ARTICLE IX OF THE STATE CONSTITUTION OF
8 1963.

9 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3), FOR
10 TAXES LEVIED IN 2000 AND FOR EACH YEAR AFTER 2000, THE TAXABLE
11 VALUE OF EACH PARCEL OF QUALIFIED AGRICULTURAL PROPERTY IS THE
12 LESSER OF THE FOLLOWING:

13 (A) THE QUALIFIED AGRICULTURAL PROPERTY'S TAXABLE VALUE IN
14 THE IMMEDIATELY PRECEDING YEAR MINUS ANY LOSSES, MULTIPLIED BY
15 THE LESSER OF 1.05 OR THE INFLATION RATE, PLUS ALL ADDITIONS.

16 (B) THE QUALIFIED AGRICULTURAL PROPERTY'S CURRENT AGRICUL-
17 TURAL USE VALUE.

18 (C) THE TAXABLE VALUE THE PROPERTY WOULD HAVE HAD IF THE
19 PROPERTY'S TAXABLE VALUE HAD BEEN DETERMINED UNDER SECTION 27A.

20 (3) UPON A TRANSFER OF OWNERSHIP OF QUALIFIED AGRICULTURAL
21 PROPERTY AND IF THE PROPERTY REMAINS QUALIFIED AGRICULTURAL PROP-
22 ERTY, THE QUALIFIED AGRICULTURAL PROPERTY'S TAXABLE VALUE FOR THE
23 CALENDAR YEAR FOLLOWING THE YEAR OF THE TRANSFER IS THE
24 PROPERTY'S TAXABLE VALUE FOR THE CALENDAR YEAR IMMEDIATELY PRE-
25 CEDING THE TRANSFER ADJUSTED UNDER SUBSECTION (2).

26 (4) UPON A TRANSFER OF OWNERSHIP OF QUALIFIED AGRICULTURAL
27 PROPERTY AND IF THE PROPERTY DOES NOT REMAIN QUALIFIED

1 AGRICULTURAL PROPERTY, THE TAXABLE VALUE OF THE PROPERTY SHALL BE
2 ADJUSTED UNDER SECTION 27A(3).

3 (5) THE REGISTER OF DEEDS OF THE COUNTY WHERE DEEDS OR OTHER
4 TITLE DOCUMENTS ARE RECORDED SHALL NOTIFY THE COUNTY EQUALIZATION
5 DIRECTOR NOT LESS THAN ONCE EACH MONTH OF ANY RECORDED TRANSAC-
6 TION INVOLVING THE OWNERSHIP OF QUALIFIED AGRICULTURAL PROPERTY
7 AND SHALL MAKE ANY RECORDED DEEDS OR OTHER TITLE DOCUMENTS AVAIL-
8 ABLE TO THAT COUNTY'S TAX OR EQUALIZATION DEPARTMENT. THE BUYER,
9 GRANTEE, OR OTHER TRANSFEREE OF THE QUALIFIED AGRICULTURAL PROP-
10 ERTY SHALL NOTIFY THE COUNTY EQUALIZATION DIRECTOR IN THE COUNTY
11 IN WHICH THE QUALIFIED AGRICULTURAL PROPERTY IS LOCATED OF THE
12 TRANSFER OF OWNERSHIP OF THE QUALIFIED AGRICULTURAL PROPERTY
13 WITHIN 45 DAYS OF THE TRANSFER OF OWNERSHIP, ON A FORM PRESCRIBED
14 BY THE STATE TAX COMMISSION THAT STATES THE PARTIES TO THE TRANS-
15 FER, THE DATE OF THE TRANSFER, THE ACTUAL CONSIDERATION FOR THE
16 TRANSFER, AND THE QUALIFIED AGRICULTURAL PROPERTY'S PARCEL IDEN-
17 TIFICATION NUMBER OR LEGAL DESCRIPTION. FORMS FILED IN THE
18 ASSESSING OFFICE OF A COUNTY UNDER THIS SUBSECTION SHALL BE MADE
19 AVAILABLE TO THE COUNTY TAX OR EQUALIZATION DEPARTMENT FOR THAT
20 COUNTY. THIS SUBSECTION DOES NOT APPLY TO PERSONAL PROPERTY
21 EXCEPT BUILDINGS DESCRIBED IN SECTION 14(6) AND PERSONAL PROPERTY
22 DESCRIBED IN SECTION 8(H), (I), AND (J).

23 (6) THE OWNER OF QUALIFIED AGRICULTURAL PROPERTY SHALL
24 RESCIND THE EXEMPTION PURSUANT TO SECTION 7EE(5) IF PROPERTY
25 EXEMPT AS QUALIFIED AGRICULTURAL PROPERTY IS NO LONGER QUALIFIED
26 AGRICULTURAL PROPERTY.

(7) AS USED IN THIS SECTION:

(A) "ADDITIONS" MEANS THAT TERM AS DEFINED IN SECTION 34D.

(B) "AGRICULTURAL USE VALUE" MEANS THAT VALUE CALCULATED USING THE METHOD DETERMINED BY THE STATE TAX COMMISSION AFTER CONSULTATION WITH THE DEPARTMENT OF AGRICULTURE. THE METHOD SHALL NOT INCLUDE SALES OF COMPARABLE QUALIFIED AGRICULTURAL PROPERTY. THE METHOD SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING CONSIDERATIONS:

(i) EVIDENCE OF THE PRODUCTIVE CAPABILITY OF THE QUALIFIED AGRICULTURAL PROPERTY FOR AGRICULTURAL USE, INCLUDING SOIL CHARACTERISTICS.

(ii) THE AVERAGE ANNUAL NET RETURN IN THE IMMEDIATELY PRECEDING 5-YEAR PERIOD FOR TYPICAL AGRICULTURAL PROPERTY LOCATED IN THE COUNTY IN WHICH THE QUALIFIED AGRICULTURAL PROPERTY IS LOCATED, DISCOUNTED BY AN APPROPRIATE INTEREST RATE.

(iii) THE AVERAGE RENTAL INCOME FOR TYPICAL AGRICULTURAL PROPERTY LOCATED IN THE COUNTY IN WHICH THE QUALIFIED AGRICULTURAL PROPERTY IS LOCATED.

(C) "BENEFICIAL USE" MEANS THE RIGHT TO POSSESSION, USE, AND ENJOYMENT OF PROPERTY, LIMITED ONLY BY ENCUMBRANCES, EASEMENTS, AND RESTRICTIONS OF RECORD.

(D) "INFLATION RATE" MEANS THAT TERM AS DEFINED IN SECTION 34D.

(E) "LOSSES" MEANS THAT TERM AS DEFINED IN SECTION 34D.

(F) "QUALIFIED AGRICULTURAL PROPERTY" MEANS PROPERTY EXEMPT FROM THE TAX LEVIED BY A LOCAL SCHOOL DISTRICT FOR SCHOOL OPERATING PURPOSES UNDER SECTION 7EE.

1 (G) "TRANSFER OF OWNERSHIP" MEANS THAT TERM AS DEFINED IN
2 SECTION 27A.

3 SEC. 28A. (1) THOSE ELECTORS OF THE COUNTY APPOINTED BY THE
4 COUNTY BOARD OF COMMISSIONERS SHALL CONSTITUTE A QUALIFIED AGRI-
5 CULTURAL PROPERTY BOARD OF REVIEW FOR THE COUNTY. AT LEAST 2/3
6 OF THE MEMBERS SHALL BE PROPERTY TAXPAYERS OF THE COUNTY.
7 MEMBERS APPOINTED TO THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
8 REVIEW SHALL SERVE FOR TERMS OF 2 YEARS BEGINNING AT NOON ON
9 JANUARY 1 OF EACH ODD NUMBERED YEAR. EACH MEMBER OF THE QUALI-
10 FIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL QUALIFY BY
11 TAKING THE CONSTITUTIONAL OATH OF OFFICE WITHIN 10 DAYS AFTER
12 APPOINTMENT. THE COUNTY BOARD OF COMMISSIONERS MAY FILL ANY
13 VACANCY THAT OCCURS IN THE MEMBERSHIP OF THE QUALIFIED AGRICUL-
14 TURAL PROPERTY BOARD OF REVIEW. A MEMBER OF THE COUNTY BOARD OF
15 COMMISSIONERS IS NOT ELIGIBLE TO SERVE ON THE QUALIFIED AGRICUL-
16 TURAL PROPERTY BOARD OF REVIEW OR TO FILL ANY VACANCY. A SPOUSE,
17 MOTHER, FATHER, SISTER, BROTHER, SON, OR DAUGHTER, INCLUDING AN
18 ADOPTED CHILD, OF THE COUNTY EQUALIZATION DIRECTOR IS NOT ELIGI-
19 BLE TO SERVE ON THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
20 REVIEW OR TO FILL ANY VACANCY. A MAJORITY OF THE QUALIFIED AGRI-
21 CULTURAL PROPERTY BOARD OF REVIEW CONSTITUTES A QUORUM FOR THE
22 TRANSACTION OF BUSINESS, BUT A LESSER NUMBER MAY ADJOURN AND A
23 MAJORITY VOTE OF THOSE PRESENT SHALL DECIDE ALL QUESTIONS. AT
24 LEAST 2 MEMBERS OF A 3-MEMBER QUALIFIED AGRICULTURAL PROPERTY
25 BOARD OF REVIEW SHALL BE PRESENT TO CONDUCT ANY BUSINESS OR HEAR-
26 INGS OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW.

1 (2) THE COUNTY BOARD OF COMMISSIONERS MAY APPOINT 3, 6, OR 9
2 ELECTORS OF THE COUNTY, WHO SHALL CONSTITUTE A QUALIFIED
3 AGRICULTURAL PROPERTY BOARD OF REVIEW FOR THE COUNTY. IF 6 OR 9
4 MEMBERS ARE APPOINTED AS PROVIDED IN THIS SUBSECTION, THE MEMBER-
5 SHIP OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL
6 BE DIVIDED INTO QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
7 COMMITTEES CONSISTING OF 3 MEMBERS EACH FOR THE PURPOSE OF HEAR-
8 ING AND DECIDING ISSUES PROTESTED PURSUANT TO SECTION 30D. TWO
9 OF THE 3 MEMBERS OF A QUALIFIED AGRICULTURAL PROPERTY BOARD OF
10 REVIEW COMMITTEE CONSTITUTE A QUORUM FOR THE TRANSACTION OF THE
11 BUSINESS OF THE COMMITTEE. ALL MEETINGS OF THE MEMBERS OF THE
12 QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW AND COMMITTEES
13 SHALL BE HELD DURING THE SAME HOURS OF THE SAME DAY AND AT THE
14 SAME LOCATION. A MAJORITY OF THE ENTIRE QUALIFIED AGRICULTURAL
15 PROPERTY BOARD OF REVIEW MEMBERSHIP SHALL ENDORSE THE ASSESSMENT
16 ROLL FOR QUALIFIED AGRICULTURAL PROPERTY AS PROVIDED IN SECTION
17 30D. THE DUTIES AND RESPONSIBILITIES OF THE QUALIFIED AGRICUL-
18 TURAL PROPERTY BOARD OF REVIEW CONTAINED IN SECTION 29A SHALL BE
19 CARRIED OUT BY THE ENTIRE MEMBERSHIP OF THE QUALIFIED AGRICUL-
20 TURAL PROPERTY BOARD OF REVIEW AND A MAJORITY OF THE MEMBERSHIP
21 CONSTITUTES A QUORUM FOR THOSE PURPOSES.

22 SEC. 29A. (1) ON THE TUESDAY IMMEDIATELY FOLLOWING THE
23 FIRST MONDAY IN MARCH, THE QUALIFIED AGRICULTURAL PROPERTY BOARD
24 OF REVIEW OF EACH COUNTY SHALL MEET AT THE OFFICE OF THE COUNTY
25 EQUALIZATION DIRECTOR, AT WHICH TIME THE COUNTY EQUALIZATION
26 DIRECTOR SHALL SUBMIT TO THE QUALIFIED AGRICULTURAL PROPERTY
27 BOARD OF REVIEW THE ASSESSMENT ROLL FOR ALL QUALIFIED

1 AGRICULTURAL PROPERTY IN THE COUNTY FOR THE CURRENT YEAR, AS
2 PREPARED BY THE COUNTY EQUALIZATION DIRECTOR, AND THE QUALIFIED
3 AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL PROCEED TO EXAMINE
4 AND REVIEW THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL.

5 (2) DURING THAT DAY, AND THE DAY FOLLOWING, IF NECESSARY,
6 THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW, ON ITS OWN
7 MOTION OR IF SUFFICIENT CAUSE IS SHOWN BY A PERSON, SHALL ADD TO
8 THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL THE NAMES OF
9 PERSONS AND THE DESCRIPTION AND VALUE OF QUALIFIED AGRICULTURAL
10 PROPERTY SUBJECT TO ASSESSMENT IN THE COUNTY THAT HAD BEEN
11 OMITTED FROM THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT
12 ROLL. THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL
13 CORRECT ERRORS IN THE NAMES OF PERSONS, IN THE DESCRIPTIONS OF
14 QUALIFIED AGRICULTURAL PROPERTY UPON THE ROLL, AND IN THE ASSESS-
15 MENT AND VALUATION OF QUALIFIED AGRICULTURAL PROPERTY. THE QUAL-
16 IFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL DO WHATEVER
17 ELSE IS NECESSARY TO MAKE THE QUALIFIED AGRICULTURAL PROPERTY
18 ROLL COMPLY WITH THIS ACT.

19 (3) THE QUALIFIED AGRICULTURAL PROPERTY ROLL SHALL BE
20 REVIEWED ACCORDING TO THE FACTS EXISTING ON THE TAX DAY. THE
21 QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL NOT ADD TO
22 THE QUALIFIED AGRICULTURAL PROPERTY ROLL QUALIFIED AGRICULTURAL
23 PROPERTY NOT SUBJECT TO TAXATION ON THE TAX DAY, AND THE QUALI-
24 FIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL NOT REMOVE FROM
25 THE QUALIFIED AGRICULTURAL PROPERTY ROLL QUALIFIED AGRICULTURAL
26 PROPERTY SUBJECT TO TAXATION ON THE TAX DAY REGARDLESS OF A

1 CHANGE IN THE TAXABLE STATUS OF THE QUALIFIED AGRICULTURAL
2 PROPERTY SINCE TAX DAY.

3 (4) THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
4 SHALL PASS UPON EACH VALUATION AND EACH INTEREST, AND SHALL ENTER
5 THE VALUATION OF EACH, AS FIXED BY THE BOARD, IN A SEPARATE
6 COLUMN.

7 (5) THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL AS
8 PREPARED BY THE COUNTY EQUALIZATION DIRECTOR SHALL STAND AS
9 APPROVED AND ADOPTED AS THE ACT OF THE QUALIFIED AGRICULTURAL
10 PROPERTY BOARD OF REVIEW, EXCEPT AS CHANGED BY A VOTE OF THE
11 QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW. IF FOR ANY
12 CAUSE A QUORUM DOES NOT ASSEMBLE DURING THE PERIOD PRESCRIBED
13 UNDER THIS SECTION, THE QUALIFIED AGRICULTURAL PROPERTY ASSESS-
14 MENT ROLL AS PREPARED BY THE COUNTY EQUALIZATION DIRECTOR SHALL
15 STAND AS IF APPROVED BY THE QUALIFIED AGRICULTURAL PROPERTY BOARD
16 OF REVIEW.

17 (6) THE BUSINESS THAT THE QUALIFIED AGRICULTURAL PROPERTY
18 BOARD OF REVIEW MAY PERFORM SHALL BE CONDUCTED AT A PUBLIC MEET-
19 ING OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW HELD
20 IN COMPLIANCE WITH THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261
21 TO 15.275. PUBLIC NOTICE OF THE TIME, DATE, AND PLACE OF THE
22 MEETING SHALL BE GIVEN IN THE MANNER REQUIRED BY THE OPEN MEET-
23 INGS ACT, 1976 PA 267, MCL 15.261 TO 15.275. NOTICE OF THE DATE,
24 TIME, AND PLACE OF THE MEETING OF THE QUALIFIED AGRICULTURAL
25 PROPERTY BOARD OF REVIEW SHALL BE GIVEN AT LEAST 1 WEEK BEFORE
26 THE MEETING BY PUBLICATION IN A GENERALLY CIRCULATED NEWSPAPER
27 SERVING THE COUNTY. THE NOTICE SHALL APPEAR IN 3 SUCCESSIVE

1 ISSUES OF THE NEWSPAPER IF AVAILABLE OR, IF NO NEWSPAPER IS
2 AVAILABLE, THE NOTICE SHALL BE POSTED IN 5 CONSPICUOUS PLACES IN
3 THE COUNTY.

4 (7) WHEN THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
5 MAKES A CHANGE IN THE ASSESSMENT OF QUALIFIED AGRICULTURAL PROP-
6 ERTY OR ADDS QUALIFIED AGRICULTURAL PROPERTY TO THE QUALIFIED
7 AGRICULTURAL PROPERTY ASSESSMENT ROLL, THE PERSON CHARGEABLE WITH
8 THE ASSESSMENT SHALL BE PROMPTLY NOTIFIED IN A MANNER THAT WILL
9 ASSURE THE PERSON OPPORTUNITY TO ATTEND THE SECOND MEETING OF THE
10 QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW PROVIDED IN SEC-
11 TION 30D.

12 SEC. 30D. (1) THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
13 REVIEW SHALL MEET ON THE SECOND MONDAY IN MARCH AT 9 A.M., AND
14 CONTINUE IN SESSION DURING THE DAY FOR NOT LESS THAN 6 HOURS.
15 THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL ALSO
16 MEET FOR NOT LESS THAN 6 HOURS DURING THE REMAINDER OF THAT
17 WEEK. PERSONS OR THEIR AGENTS WHO HAVE APPEARED TO FILE A PRO-
18 TEST BEFORE THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
19 AT A SCHEDULED MEETING OR AT A SCHEDULED APPOINTMENT SHALL BE
20 AFFORDED AN OPPORTUNITY TO BE HEARD BY THE QUALIFIED AGRICULTURAL
21 PROPERTY BOARD OF REVIEW. THE QUALIFIED AGRICULTURAL PROPERTY
22 BOARD OF REVIEW SHALL SCHEDULE A FINAL MEETING AFTER THE QUALI-
23 FIED AGRICULTURAL PROPERTY BOARD OF REVIEW MAKES A CHANGE IN THE
24 ASSESSED VALUE, AGRICULTURAL USE VALUE, OR TENTATIVE TAXABLE
25 VALUE OF QUALIFIED AGRICULTURAL PROPERTY OR ADDS QUALIFIED AGRI-
26 CULTURAL PROPERTY TO THE QUALIFIED AGRICULTURAL PROPERTY
27 ASSESSMENT ROLL. IN A COUNTY WITH A POPULATION OF 10,000 OR

1 MORE, THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL
2 HOLD AT LEAST 3 HOURS OF ITS REQUIRED SESSIONS FOR REVIEW OF THE
3 QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL DURING THE WEEK
4 OF THE SECOND MONDAY IN MARCH AFTER 6 P.M.

5 (2) A QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW SHALL
6 MEET A TOTAL OF AT LEAST 12 HOURS DURING THE WEEK BEGINNING THE
7 SECOND MONDAY IN MARCH TO HEAR PROTESTS. AT THE REQUEST OF A
8 PERSON WHOSE QUALIFIED AGRICULTURAL PROPERTY IS ASSESSED ON THE
9 QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL OR OF HIS OR HER
10 AGENT, AND ON SUFFICIENT CAUSE BEING SHOWN, THE QUALIFIED AGRI-
11 CULTURAL PROPERTY BOARD OF REVIEW SHALL CORRECT THE ASSESSED
12 VALUE, AGRICULTURAL USE VALUE, OR TENTATIVE TAXABLE VALUE OF THE
13 QUALIFIED AGRICULTURAL PROPERTY, IN A MANNER AS IN THEIR JUDGMENT
14 WILL MAKE THE VALUATION OF THE QUALIFIED AGRICULTURAL PROPERTY
15 RELATIVELY JUST AND PROPER UNDER THIS ACT. THE QUALIFIED AGRI-
16 CULTURAL PROPERTY BOARD OF REVIEW MAY EXAMINE ON OATH THE PERSON
17 MAKING THE APPLICATION, OR ANY OTHER PERSON CONCERNING THE
18 MATTER. A MEMBER OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
19 REVIEW MAY ADMINISTER THE OATH. A NONRESIDENT TAXPAYER MAY FILE
20 HIS OR HER APPEARANCE, PROTEST, AND PAPERS IN SUPPORT OF THE PRO-
21 TEST BY LETTER, AND HIS OR HER PERSONAL APPEARANCE IS NOT
22 REQUIRED. THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW,
23 UPON ITS OWN MOTION, MAY CHANGE ASSESSED VALUES, AGRICULTURAL USE
24 VALUES, OR TENTATIVE TAXABLE VALUES OR ADD TO THE QUALIFIED AGRI-
25 CULTURAL PROPERTY ASSESSMENT ROLL QUALIFIED AGRICULTURAL PROPERTY
26 OMITTED FROM THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL
27 THAT IS LIABLE TO ASSESSMENT IN THE COUNTY, IF THE PERSON WHO IS

1 ASSESSED UPON THE ALTERED VALUATION OR FOR THE OMITTED QUALIFIED
2 AGRICULTURAL PROPERTY IS PROMPTLY NOTIFIED AND GRANTED AN OPPOR-
3 TUNITY TO FILE OBJECTIONS TO THE CHANGE IN HIS OR HER ASSESSED
4 VALUE, AGRICULTURAL USE VALUE, OR TENTATIVE TAXABLE VALUE OR TO
5 THE ADDITION OF HIS OR HER QUALIFIED AGRICULTURAL PROPERTY TO THE
6 QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL AT THE MEETING OR
7 AT A SUBSEQUENT MEETING. AN OBJECTION SHALL BE PROMPTLY HEARD
8 AND DETERMINED. EACH PERSON WHO MAKES A REQUEST, PROTEST, OR
9 APPLICATION TO THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
10 REVIEW FOR THE CORRECTION OF THE ASSESSED VALUE, AGRICULTURAL USE
11 VALUE, OR TENTATIVE TAXABLE VALUE OF THE PERSON'S QUALIFIED AGRI-
12 CULTURAL PROPERTY SHALL BE NOTIFIED IN WRITING, NOT LATER THAN
13 THE FIRST MONDAY IN JUNE, OF THE QUALIFIED AGRICULTURAL PROPERTY
14 BOARD OF REVIEW'S ACTION ON THE REQUEST, PROTEST, OR APPLICATION,
15 OF THE STATE EQUALIZED VALUATION, AGRICULTURAL USE VALUE, OR TEN-
16 TATIVE TAXABLE VALUE OF THE QUALIFIED AGRICULTURAL PROPERTY, AND
17 OF INFORMATION REGARDING THE RIGHT OF FURTHER APPEAL TO THE TAX
18 TRIBUNAL. INFORMATION REGARDING THE RIGHT OF FURTHER APPEAL TO
19 THE TAX TRIBUNAL SHALL INCLUDE, BUT IS NOT LIMITED TO, A STATE-
20 MENT OF THE RIGHT TO APPEAL TO THE TAX TRIBUNAL, THE ADDRESS OF
21 THE TAX TRIBUNAL, AND THE FINAL DATE FOR FILING AN APPEAL WITH
22 THE TAX TRIBUNAL.

23 (3) THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
24 SHALL COMPLETE ITS REVIEW OF THE QUALIFIED AGRICULTURAL PROPERTY
25 ASSESSMENT ROLL NOT LATER THAN THE FIRST MONDAY IN APRIL. AFTER
26 THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW COMPLETES THE
27 REVIEW OF THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL, A

1 MAJORITY OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW
2 SHALL INDORSE THE QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL
3 AND SIGN A STATEMENT TO THE EFFECT THAT THE QUALIFIED AGRICUL-
4 TURAL PROPERTY ASSESSMENT ROLL IS THE ASSESSMENT ROLL OF THE
5 QUALIFIED AGRICULTURAL PROPERTY IN THAT COUNTY FOR THE YEAR IN
6 WHICH IT HAS BEEN PREPARED AND APPROVED BY THE QUALIFIED AGRICUL-
7 TURAL PROPERTY BOARD OF REVIEW.

8 (4) THE COMPLETED QUALIFIED AGRICULTURAL PROPERTY ASSESSMENT
9 ROLL SHALL BE DELIVERED TO THE COUNTY EQUALIZATION DIRECTOR NOT
10 LATER THAN THE TENTH DAY AFTER THE ADJOURNMENT OF THE QUALIFIED
11 AGRICULTURAL PROPERTY BOARD OF REVIEW, OR THE WEDNESDAY FOLLOWING
12 THE FIRST MONDAY IN APRIL, WHICHEVER DATE OCCURS FIRST.

13 (5) THE BOARD OF COUNTY COMMISSIONERS MAY AUTHORIZE, BY
14 ADOPTION OF AN ORDINANCE OR RESOLUTION, A RESIDENT TAXPAYER TO
15 FILE HIS OR HER PROTEST BEFORE THE QUALIFIED AGRICULTURAL PROP-
16 ERTY BOARD OF REVIEW BY LETTER WITHOUT A PERSONAL APPEARANCE BY
17 THE TAXPAYER OR HIS OR HER AGENT. IF THAT ORDINANCE OR RESOLU-
18 TION IS ADOPTED, THE COUNTY SHALL INCLUDE A STATEMENT NOTIFYING
19 TAXPAYERS OF THIS OPTION IN EACH ASSESSMENT NOTICE UNDER SECTION
20 24C AND ON EACH NOTICE OR PUBLICATION OF THE MEETING OF THE QUAL-
21 IFIED AGRICULTURAL PROPERTY BOARD OF REVIEW.

22 SEC. 30E. (1) IF A TAXPAYER HAS THE ASSESSED VALUE, AGRI-
23 CULTURAL USE VALUE, OR TAXABLE VALUE REDUCED ON HIS OR HER QUALI-
24 FIED AGRICULTURAL PROPERTY AS A RESULT OF A PROTEST TO THE QUALI-
25 FIED AGRICULTURAL PROPERTY BOARD OF REVIEW UNDER SECTION 30D, THE
26 COUNTY EQUALIZATION DIRECTOR SHALL USE THAT REDUCED AMOUNT AS THE
27 BASIS FOR CALCULATING THE ASSESSMENT OF THAT QUALIFIED

1 AGRICULTURAL PROPERTY IN THE IMMEDIATELY SUCCEEDING YEAR.
2 HOWEVER, THE TAXABLE VALUE OF THAT QUALIFIED AGRICULTURAL PROP-
3 ERTY IN A TAX YEAR IMMEDIATELY SUCCEEDING A TRANSFER OF OWNERSHIP
4 OF THAT QUALIFIED AGRICULTURAL PROPERTY SHALL BE DETERMINED UNDER
5 SECTION 27E.

6 (2) IF A TAXPAYER APPEARS BEFORE THE TAX TRIBUNAL DURING THE
7 SAME TAX YEAR FOR WHICH THE STATE EQUALIZED VALUATION, ASSESSED
8 VALUE, AGRICULTURAL USE VALUE, OR TAXABLE VALUE OF QUALIFIED
9 AGRICULTURAL PROPERTY IS APPEALED AND HAS THE STATE EQUALIZED
10 VALUATION, ASSESSED VALUE, AGRICULTURAL USE VALUE, OR TAXABLE
11 VALUE OF HIS OR HER QUALIFIED AGRICULTURAL PROPERTY REDUCED PUR-
12 SUANT TO A FINAL ORDER OF THE TAX TRIBUNAL, THE COUNTY EQUALIZA-
13 TION DIRECTOR SHALL USE THE REDUCED STATE EQUALIZED VALUATION,
14 ASSESSED VALUE, AGRICULTURAL USE VALUE, OR TAXABLE VALUE AS THE
15 BASIS FOR CALCULATING THE ASSESSMENT OF THAT QUALIFIED AGRICUL-
16 TURAL PROPERTY IN THE IMMEDIATELY SUCCEEDING YEAR. HOWEVER, THE
17 TAXABLE VALUE OF THAT QUALIFIED AGRICULTURAL PROPERTY IN A TAX
18 YEAR IMMEDIATELY SUCCEEDING A TRANSFER OF OWNERSHIP OF THAT QUAL-
19 IFIED AGRICULTURAL PROPERTY SHALL BE DETERMINED UNDER SECTION
20 27E.

21 Sec. 31. Upon ~~the completion of said~~ COMPLETING AND CER-
22 TIFYING THE REVIEW OF AN ASSESSMENT roll ~~and its endorsement in~~
23 ~~manner aforesaid, the same shall be~~ AS PROVIDED UNDER THIS ACT,
24 THAT ASSESSMENT ROLL IS conclusively presumed by all courts and
25 tribunals to be valid, and shall not be set aside except ~~for~~
26 ~~causes hereinafter mentioned~~ AS OTHERWISE PROVIDED IN THIS ACT.

1 The omission of ~~such indorsement~~ THE CERTIFICATION shall not
2 affect the validity of ~~such~~ AN ASSESSMENT roll.

3 SEC. 32A. IF FROM ANY CAUSE A QUORUM IS NOT PRESENT AT ANY
4 MEETING OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW,
5 THE COUNTY EQUALIZATION DIRECTOR, OR, IN HIS OR HER ABSENCE, ANY
6 OTHER MEMBER OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF
7 REVIEW PRESENT, SHALL NOTIFY EACH ABSENT MEMBER TO ATTEND AT
8 ONCE, AND THE MEMBER NOTIFIED SHALL ATTEND WITHOUT DELAY. IF FOR
9 ANY REASON THE SECOND MEETING OF THE QUALIFIED AGRICULTURAL PROP-
10 ERTY BOARD OF REVIEW PROVIDED FOR UNDER THIS ACT IS NOT HELD AT
11 THE TIME FIXED FOR THAT MEETING, THE QUALIFIED AGRICULTURAL PROP-
12 ERTY BOARD OF REVIEW SHALL MEET ON THE IMMEDIATELY SUCCEEDING
13 MONDAY AND PROCEED IN THE SAME MANNER AND WITH THE SAME POWERS AS
14 IF THAT MEETING HAD BEEN HELD AS PROVIDED UNDER THIS ACT.

15 SEC. 33A. THE COUNTY EQUALIZATION DIRECTOR IS THE SECRETARY
16 OF THE QUALIFIED AGRICULTURAL PROPERTY BOARD OF REVIEW AND SHALL
17 KEEP A RECORD OF THE PROCEEDINGS OF THE QUALIFIED AGRICULTURAL
18 PROPERTY BOARD OF REVIEW AND OF ALL THE CHANGES MADE IN THE QUAL-
19 IFIED AGRICULTURAL PROPERTY ASSESSMENT ROLL. THE COUNTY EQUALI-
20 ZATION DIRECTOR SHALL FILE THE QUALIFIED AGRICULTURAL PROPERTY
21 ASSESSMENT ROLL WITH THE COUNTY BOARD OF COMMISSIONERS WITH THE
22 STATEMENTS MADE BY PERSONS ASSESSED. IN THE ABSENCE OF THE
23 COUNTY EQUALIZATION DIRECTOR, THE QUALIFIED AGRICULTURAL PROPERTY
24 BOARD OF REVIEW SHALL APPOINT 1 OF ITS MEMBERS TO SERVE AS
25 SECRETARY. THE STATE TAX COMMISSION MAY PRESCRIBE THE FORM OF
26 THE RECORD WHENEVER NECESSARY.

1 Sec. 34. (1) The county board of commissioners in each
2 county shall meet in April each year to determine THE county
3 equalized value, which ~~equalization~~ shall be completed and sub-
4 mitted along with the tabular statement required by section 5 of
5 ~~Act No. 44 of the Public Acts of 1911, being section 209.5 of~~
6 ~~the Michigan Compiled Laws~~ 1911 PA 44, MCL 209.5, to the state
7 tax commission before the first Monday in May. The business
8 ~~which~~ THAT the COUNTY board OF COMMISSIONERS may perform shall
9 be conducted at a public meeting of the COUNTY board OF
10 COMMISSIONERS held in compliance with the open meetings act, ~~Act~~
11 ~~No. 267 of the Public Acts of 1976, as amended, being sections~~
12 ~~15.261 to 15.275 of the Michigan Compiled Laws~~ 1976 PA 267, MCL
13 15.261 TO 15.275. Public notice of the time, date, and place of
14 the meeting shall be given in the manner required by ~~Act No. 267~~
15 ~~of the Public Acts of 1976, as amended~~ THE OPEN MEETINGS ACT,
16 1976 PA 267, MCL 15.261 TO 15.275. Each year the county board of
17 commissioners shall advise the local taxing units ~~when~~ IF the
18 state tax commission increases the equalized value of the county
19 as established by the ~~board of~~ county BOARD OF commissioners
20 and each taxing unit other than a city, township, school dis-
21 trict, intermediate school district, or community college dis-
22 trict, shall immediately reduce its maximum authorized millage
23 rate, as determined after any reduction ~~caused by~~ PURSUANT TO
24 section 34d, so that ~~subsequent to~~ AFTER the increase ordered
25 by the state tax commission pursuant to ~~Act No. 44 of the Public~~
26 ~~Acts of 1911, as amended, being sections 209.1 to 209.8 of the~~
27 ~~Michigan Compiled Laws~~ 1911 PA 44, MCL 209.1 TO 209.8, total

1 property taxes levied for that unit shall not exceed that which
2 would have been levied for that unit at its maximum authorized
3 millage rate, as determined after any reduction ~~caused by~~
4 PURSUANT TO section 34d, if there had not been an increase in
5 valuation by the state TAX COMMISSION. If its state equalized
6 valuation exceeds its assessed valuation by 5.0% or more in 1982
7 or by any amount in 1983 or any year ~~thereafter~~ AFTER 1983, a
8 city or township shall reduce its maximum authorized millage
9 rate, as determined after any reduction ~~caused by~~ PURSUANT TO
10 section 34d, so that total property taxes levied for that unit do
11 not exceed that which would have been levied based on its
12 assessed valuation.

13 (2) The county board of commissioners shall examine the
14 assessment rolls of the townships or cities AND, FOR QUALIFIED
15 AGRICULTURAL PROPERTY, OF THE COUNTY and ascertain whether the
16 real and personal property in the respective townships or cities
17 AND, FOR QUALIFIED AGRICULTURAL PROPERTY, IN THE COUNTY has been
18 equally and uniformly assessed ~~at true cash value~~ AS REQUIRED
19 UNDER THIS ACT. If, on the examination, the county board of com-
20 missioners considers the assessments to be relatively unequal, it
21 shall equalize the assessments by adding to or deducting from the
22 valuation of the taxable property ~~in a township or city~~ an
23 amount ~~which~~ THAT in the judgment of the county board of com-
24 missioners will produce a sum ~~which~~ THAT represents the true
25 cash value of that property AND, FOR QUALIFIED AGRICULTURAL PROP-
26 ERTY, THE AGRICULTURAL USE VALUE, and the amount added to or
27 deducted from the valuations ~~in a township or city~~ shall be

1 entered upon the records. The county board of commissioners and
2 the state tax commission shall equalize real and personal prop-
3 erty separately by adding to or deducting from the valuation of
4 taxable real property, and by adding to or deducting from the
5 valuation of taxable personal property in a township, city, or
6 county, an amount ~~which~~ THAT will produce a sum ~~which~~ THAT
7 represents the proportion of true cash value established by the
8 legislature AND, FOR QUALIFIED AGRICULTURAL PROPERTY, THE AGRI-
9 CULTURAL USE VALUE. Beginning December 31, 1980, the county
10 board of commissioners and the state tax commission shall equal-
11 ize separately the following classes of real property by adding
12 to or deducting from the valuation of agricultural,
13 ~~developmental~~, residential, commercial, industrial, and timber
14 cutover taxable real property, and by adding to or deducting from
15 the valuation of taxable personal property in a township, city,
16 or county, an amount ~~as~~ THAT will produce a sum ~~which~~ THAT
17 represents the proportion of true cash value established by the
18 legislature AND, FOR QUALIFIED AGRICULTURAL PROPERTY, THE AGRI-
19 CULTURAL USE VALUE. The tax roll and the tax statement shall
20 clearly set forth the latest state equalized valuation for each
21 item or property, which shall be determined by using a separate
22 factor for personal property and a separate factor for real prop-
23 erty as equalized. Beginning December 31, 1980, the tax roll and
24 the tax statement shall clearly set forth the latest state equal-
25 ized valuation for each item or property, which shall be deter-
26 mined by using a separate factor for personal property and a
27 separate factor for each classification for real property as

1 equalized. Factors used in determining the state equalized
2 valuation for real and personal property on the tax roll shall be
3 rounded up to not less than 4 decimal places. Equalized values
4 for both real and personal property shall be equalized uniformly
5 at the same proportion of true cash value in the county. The
6 county board of commissioners shall also cause to be entered upon
7 its records the aggregate valuation of the taxable real and per-
8 sonal property of each township or city in its county as deter-
9 mined by the county board OF COMMISSIONERS. The county board of
10 commissioners shall also make alterations in the description of
11 any ~~land~~ PROPERTY on the rolls ~~as is~~ necessary to render the
12 descriptions conformable to the requirements of this act. After
13 the rolls are equalized, each shall be certified ~~to~~ by the
14 chairperson and the clerk of the COUNTY board OF COMMISSIONERS
15 and be delivered to the supervisor of the proper township or
16 city, who shall file and keep the roll in his or her office.

17 (3) The county board of commissioners of a county shall
18 establish and maintain a department to survey assessments and
19 assist the board of commissioners in the matter of equalization
20 of assessments, and may employ in that department NECESSARY tech-
21 nical and clerical personnel. ~~which in its judgment are consid-~~
22 ~~ered necessary.~~ The personnel of the department shall be under
23 the direct supervision and control of a director of the tax or
24 equalization department who may designate an employee of the
25 department as his or her deputy. The director of the county tax
26 or equalization department shall be appointed by the county board
27 of commissioners. The county board of commissioners, through the

1 department, may furnish assistance to local assessing officers in
2 the performance of duties imposed upon those officers ~~by~~ UNDER
3 this act, including the development and maintenance of accurate
4 property descriptions, the discovery, listing, and valuation of
5 properties for tax purposes, and the development and use of uni-
6 form valuation standards and techniques for the assessment of
7 property. AS USED IN THIS ACT, "COUNTY EQUALIZATION DIRECTOR"
8 MEANS THE DIRECTOR OF THE COUNTY TAX OR EQUALIZATION DEPARTMENT
9 APPOINTED BY THE COUNTY BOARD OF COMMISSIONERS UNDER THIS
10 SUBSECTION.

11 (4) The supervisor of a township or, with the approval of
12 the governing body, the certified assessor of a township or city,
13 or the intermediate district board of education, or the board of
14 education of an incorporated city or village aggrieved by the
15 action of the county board of commissioners ~~—~~, in equalizing the
16 valuations of the townships or cities of the county ~~—~~, may
17 appeal from the determination to the ~~state~~ tax tribunal in the
18 manner provided by law. An appeal from the determination by the
19 county board of commissioners shall be filed with the clerk of
20 the tribunal by a written or printed petition ~~which~~ THAT shall
21 set forth in detail the reasons for taking the appeal. The peti-
22 tion shall be signed and sworn to by the supervisor, the certi-
23 fied assessor, or a majority of the members of the board of edu-
24 cation taking the appeal, shall show that a certain township,
25 city, or school district has been discriminated against in the
26 equalization, and shall ~~pray~~ REQUEST that the ~~state~~ tax
27 tribunal proceed at its earliest convenience to review the action

1 from which the appeal is taken. The ~~state~~ tax tribunal shall
2 ~~, upon hearing,~~ determine if ~~in its judgment there is a show-~~
3 ~~ing that~~ the equalization complained of is unfair, unjust, ineq-
4 uitable, or discriminatory. The ~~state~~ tax tribunal ~~shall~~
5 ~~have~~ HAS the same authority to consider and pass upon the action
6 and determination of the county board of commissioners in equal-
7 izing valuations as it has to consider complaints relative to the
8 assessment and taxation of property. The ~~state~~ tax tribunal
9 may order the county board of commissioners to reconvene and to
10 cause the assessment rolls of the county to be brought before it,
11 may summon the commissioners of the county to give evidence in
12 relation to the equalization, and may take further action and may
13 make further investigation ~~in the premises~~ as it considers
14 necessary. The ~~state~~ tax tribunal shall fix a valuation on all
15 property of the county. If the ~~state~~ tax tribunal decides that
16 the determination and equalization made by the county board of
17 commissioners is correct, further action shall not be taken. If
18 the ~~state~~ tax tribunal, after the hearing, decides that the
19 valuations of the county were improperly equalized, it shall pro-
20 ceed to make deductions from, or additions to, the valuations of
21 the respective townships, cities, or school districts as ~~may be~~
22 ~~considered proper~~ NECESSARY, ~~and in so doing the tribunal shall~~
23 ~~have~~ WITH the same powers ~~as~~ THAT the county board of commis-
24 sioners had in the first instance. The deductions or additions
25 shall decrease or increase the state equalized valuation of the
26 local unit affected but shall not increase or decrease the total
27 state equalized valuation of the county in the case of an appeal

1 under this section to the ~~state~~ tax tribunal. If the tax
2 tribunal finds that the valuations of a class of property in a
3 county were improperly equalized by that county and determines
4 that the total value of that class of property in the county may
5 not be at the level required by law, prior to entry of a final
6 order ~~—~~, the tax tribunal shall forward its findings and deter-
7 mination to the state tax commission. Within 90 days after
8 receiving the findings and determination of the tax tribunal, the
9 state tax commission shall determine whether the state equalized
10 valuation of that class of property in the county was set at the
11 level prescribed by law or should be revised to provide unifor-
12 mity among the counties and shall enter an order consistent with
13 the state tax commission's findings. The tax tribunal shall
14 enter a final order based upon the revised state equalized valua-
15 tion, if any, ~~which~~ THAT is adopted by the state tax
16 commission. The ~~state~~ tax tribunal immediately after complet-
17 ing its revision of the equalization of the valuation of the sev-
18 eral assessment districts shall report its action to the county
19 board of commissioners and board of education if the board has
20 instituted the appeal by filing its report with the clerk of the
21 county board of commissioners. The action of the ~~state~~ tax
22 tribunal ~~in the premises~~ shall constitute the equalization of
23 the county for the tax year.

24 ~~—(5) For purposes of appeals pursuant to subsection (4) in~~
25 ~~1981 only, an agent of a supervisor, including an assessor, shall~~
26 ~~be considered to have the authority to file and sign a petition~~
27 ~~for an appeal, and any otherwise timely submitted petition in~~

1 ~~1981 by an agent of a supervisor shall be reviewed by the~~
2 ~~tribunal as if submitted by the supervisor.~~

3 Sec. 34c. (1) Not later than the first Monday in March in
4 each year, the ~~assessor~~ APPLICABLE ASSESSING OFFICER shall
5 classify every item of assessable property according to the defi-
6 nitions contained in this section. Following the March board of
7 review, the ~~assessor~~ APPLICABLE ASSESSING OFFICER shall tabu-
8 late the total number of items and the valuations as approved by
9 the APPLICABLE board of review for each classification and for
10 the totals of real and personal property in the ~~local~~ tax col-
11 lecting unit. The ~~assessor~~ APPLICABLE ASSESSING OFFICER shall
12 transmit to the county equalization department and to the state
13 tax commission the tabulation of assessed valuations and other
14 statistical information the state tax commission considers neces-
15 sary to meet the requirements of this act and ~~Act No. 44 of the~~
16 ~~Public Acts of 1911, being sections 209.1 to 209.8 of the~~
17 ~~Michigan Compiled Laws 1911 PA 44, MCL 209.1 TO 209.8.~~

18 (2) The classifications of assessable real property are
19 described as follows:

20 (a) Agricultural real property includes parcels used par-
21 tially or wholly for agricultural ~~operations~~ USE, with or with-
22 out buildings, and parcels assessed to the department of natural
23 resources and valued by the state tax commission. As used in
24 this subdivision, ~~"agricultural operations"~~ means the
25 following:

26 ~~(i) Farming in all its branches, including cultivating~~
27 ~~soil.~~

1 ~~(ii) Growing and harvesting any agricultural, horticultural,~~
 2 ~~or floricultural commodity.~~

3 ~~(iii) Dairying.~~

4 ~~(iv) Raising livestock, bees, fish, fur-bearing animals, or~~
 5 ~~poultry.~~

6 ~~(v) Turf and tree farming.~~

7 ~~(vi) Performing any practices on a farm incident to, or in~~
 8 ~~conjunction with, farming operations. A "AGRICULTURAL USE"~~

9 MEANS SUBSTANTIALLY UNDEVELOPED LAND DEVOTED TO THE PRODUCTION OF
 10 PLANTS AND ANIMALS USEFUL TO HUMANS, INCLUDING FORAGES AND SOD
 11 CROPS; GRAINS, FEED CROPS, AND FIELD CROPS; DAIRY AND DAIRY PRO-
 12 DUCTS; POULTRY AND POULTRY PRODUCTS; LIVESTOCK, INCLUDING BREED-
 13 ING AND GRAZING OF CATTLE, SWINE, CAPTIVE CERVIDAE, AND SIMILAR
 14 ANIMALS; BERRIES; HERBS; FLOWERS; SEEDS; GRASSES; NURSERY STOCK;
 15 FRUITS; VEGETABLES; CHRISTMAS TREES; AND OTHER SIMILAR USES AND
 16 ACTIVITIES. AGRICULTURAL USE INCLUDES PROPERTY ENROLLED IN A
 17 FEDERAL ACREAGE SET-ASIDE PROGRAM OR A FEDERAL CONSERVATION
 18 PROGRAM. AGRICULTURAL USE DOES NOT INCLUDE SUBSTANTIALLY UNDE-
 19 VELOPED LAND THE PRIMARY PURPOSE FOR WHICH IS THE MANAGEMENT AND
 20 HARVESTING OF A WOODLOT, OR A commercial storage, processing,
 21 distribution, marketing, or shipping operation. ~~is not part of~~
 22 ~~agricultural operations.~~

23 (b) Commercial real property includes the following:

24 (i) Platted or unplatted parcels used for commercial pur-
 25 poses, whether wholesale, retail, or service, with or without
 26 buildings.

1 (ii) Parcels used by fraternal societies.

2 (iii) Parcels used as golf courses, boat clubs, ski areas,
3 or apartment buildings with more than 4 units.

4 ~~-(c) Developmental real property includes parcels containing~~
5 ~~more than 5 acres without buildings, or more than 15 acres with a~~
6 ~~market value in excess of its value in use. Developmental real~~
7 ~~property may include farm land or open space land adjacent to a~~
8 ~~population center, or farm land subject to several competing val-~~
9 ~~uation influences.~~

10 (C) ~~-(d)~~ Industrial real property includes the following:

11 (i) Platted or unplatted parcels used for manufacturing and
12 processing purposes, with or without buildings.

13 (ii) Parcels used for utilities sites for generating plants,
14 pumping stations, switches, substations, compressing stations,
15 warehouses, rights-of-way, flowage land, and storage areas.

16 (iii) Parcels used for removal or processing of gravel,
17 stone, or mineral ores, whether valued by the local assessor or
18 by the state geologist.

19 (D) ~~-(e)~~ Residential real property includes the following:

20 (i) Platted or unplatted parcels, with or without buildings,
21 and condominium apartments located within or outside a village or
22 city, which are used for, or probably will be used for, residen-
23 tial purposes.

24 (ii) Parcels that are used for, or probably will be used
25 for, recreational purposes, such as lake lots and hunting lands,
26 located in an area used predominantly for recreational purposes.

1 (E) ~~—(f)—~~ Timber-cutover real property includes parcels that
2 are stocked with forest products of merchantable type and size,
3 cutover forest land with little or no merchantable products, and
4 marsh lands or other barren land. However, when a typical pur-
5 chase of this type of land is for residential or recreational
6 uses, the classification shall be changed to residential.

7 (3) The classifications of assessable personal property are
8 described as follows:

9 (a) Agricultural personal property includes farm buildings
10 on leased land and any agricultural equipment and produce not
11 exempt by law.

12 (b) Commercial personal property includes the following:

13 (i) All equipment, furniture, and fixtures on commercial
14 parcels, and inventories not exempt by law.

15 (ii) Outdoor advertising signs and billboards.

16 (iii) Well drilling rigs and other equipment attached to a
17 transporting vehicle but not designed for operation while the
18 vehicle is moving on the highway.

19 (iv) Unlicensed commercial vehicles or commercial vehicles
20 licensed as special mobile equipment or by temporary permits.

21 (v) Commercial buildings on leased land.

22 (c) Industrial personal property includes the following:

23 (i) All machinery and equipment, furniture and fixtures, and
24 dies on industrial parcels, and inventories not exempt by law.

25 (ii) Industrial buildings on leased land.

26 (iii) Personal property of mining companies valued by the
27 state geologist.

1 (d) Residential personal property includes a home, cottage,
2 or cabin on leased land, and a mobile home that would be asses-
3 sable as real property under section 2a except that the land on
4 which it is located is not assessable because the land is
5 exempt.

6 (e) Utility personal property includes the following:

7 (i) Electric transmission and distribution systems, substa-
8 tion equipment, spare parts, gas distribution systems, and water
9 transmission and distribution systems.

10 (ii) Oil wells and allied equipment such as tanks, gathering
11 lines, field pump units, and buildings.

12 (iii) Inventories not exempt by law.

13 (iv) Gas wells with allied equipment and gathering lines.

14 (v) Oil or gas field equipment stored in the open or in
15 warehouses such as drilling rigs, motors, pipes, and parts.

16 (vi) Gas storage equipment.

17 (vii) Transmission lines of gas or oil transporting
18 companies.

19 (viii) Utility buildings on leased land.

20 (4) Buildings on leased land of any classification are
21 improvements where the owner of the improvement is not the owner
22 of the land or fee and has not bound himself or herself to pay
23 taxes levied against the land or fee and the improvement has been
24 assessed as personal property pursuant to section 14(6).

25 (5) If the total usage of a parcel includes more than 1
26 classification, the assessor shall determine the classification

1 that most significantly influences the total valuation of the
2 parcel.

3 (6) An owner of any assessable property who disputes the
4 classification of that parcel shall notify the assessor and may
5 protest the assigned classification to the March board of
6 review. An owner or assessor may appeal the decision of the
7 March board of review by filing a petition with the state tax
8 commission not later than June 30 in that tax year. The state
9 tax commission shall arbitrate the petition based on the written
10 petition and the written recommendations of the assessor and the
11 state tax commission staff. An appeal may not be taken from the
12 decision of the state tax commission regarding classification
13 complaint petitions and the state tax commission's determination
14 is final and binding for the year of the petition.

15 (7) The department of treasury may appeal the classification
16 of any assessable property to the residential and small claims
17 division of the Michigan tax tribunal not later than December 31
18 in the tax year for which the classification is appealed.

19 (8) This section shall not be construed to encourage the
20 assessment of property at other than the uniform percentage of
21 true cash value prescribed by this act.

22 (9) AN OWNER OF PROPERTY FOR WHICH THE CLASSIFICATION IS
23 CHANGED FROM AGRICULTURAL REAL PROPERTY TO A DIFFERENT CLASSIFI-
24 CATION MAY FILE AN AFFIDAVIT UNDER SECTION 7EE NOT LATER THAN MAY
25 1 IN THAT TAX YEAR, CLAIMING AN EXEMPTION OF THAT PROPERTY AS
26 QUALIFIED AGRICULTURAL PROPERTY.

1 Sec. 34d. (1) As used in this section or section 27a, or
2 section 3 or 31 of article IX of the state constitution of 1963:

3 (a) For taxes levied before 1995, "additions" means all
4 increases in value caused by new construction or a physical addi-
5 tion of equipment or furnishings, and the value of property that
6 was exempt from taxes or not included on the assessment unit's
7 immediately preceding year's assessment roll.

8 (b) For taxes levied after 1994, "additions" means, except
9 as provided in subdivision (c), all of the following:

10 (i) Omitted real property. As used in this subparagraph,
11 "omitted real property" means previously existing tangible real
12 property not included in the assessment. Omitted real property
13 shall not increase taxable value as an addition unless the
14 assessing jurisdiction has a property record card or other docu-
15 mentation showing that the omitted real property was not previ-
16 ously included in the assessment. The assessing jurisdiction has
17 the burden of proof in establishing whether the omitted real
18 property is included in the assessment. Omitted real property
19 for the current and the 2 immediately preceding years, discovered
20 after the assessment roll has been completed, shall be added to
21 the tax roll pursuant to the procedures established in section
22 154. For purposes of determining the taxable value of real prop-
23 erty under section 27a, the value of omitted real property is
24 based on the value and the ratio of taxable value to true cash
25 value the omitted real property would have had if the property
26 had not been omitted.

1 (ii) Omitted personal property. As used in this
2 subparagraph, "omitted personal property" means previously
3 existing tangible personal property not included in the
4 assessment. Omitted personal property shall be added to the tax
5 roll pursuant to section 154.

6 (iii) New construction. As used in this subparagraph, "new
7 construction" means property not in existence on the immediately
8 preceding tax day and not replacement construction. New con-
9 struction includes the physical addition of equipment or furnish-
10 ings, subject to the provisions set forth in section 27(2)(a) to
11 (o). For purposes of determining the taxable value of property
12 under section 27a, the value of new construction is the true cash
13 value of the new construction multiplied by 0.50.

14 (iv) Previously exempt property. As used in this subpara-
15 graph, "previously exempt property" means property that was
16 exempt from ad valorem taxation under this act on the immediately
17 preceding tax day but is subject to ad valorem taxation on the
18 current tax day under this act. For purposes of determining the
19 taxable value of real property under section 27a:

20 (A) The value of property previously exempt under section 7u
21 is the taxable value the entire parcel of property would have had
22 if that property had not been exempt, minus the product of the
23 entire parcel's taxable value in the immediately preceding year
24 and the lesser of 1.05 or the inflation rate.

25 (B) The taxable value of property that is a facility as that
26 term is defined in section 2 of ~~Act No. 198 of the Public Acts~~
27 ~~of 1974, being section 207.552 of the Michigan Compiled Laws~~

1 1974 PA 198, MCL 207.552, that was previously exempt under
2 section 7k is the taxable value that property would have had
3 under this act if it had not been exempt.

4 (C) The value of property previously exempt under any other
5 section of law is the true cash value of the previously exempt
6 property multiplied by 0.50.

7 (v) Replacement construction. As used in this subparagraph,
8 "replacement construction" means construction that replaced prop-
9 erty damaged or destroyed by accident or act of God and that
10 occurred after the immediately preceding tax day to the extent
11 the construction's true cash value does not exceed the true cash
12 value of property that was damaged or destroyed by accident or
13 act of God in the immediately preceding 3 years. For purposes of
14 determining the taxable value of property under section 27a, the
15 value of the replacement construction is the true cash value of
16 the replacement construction multiplied by a fraction the numera-
17 tor of which is the taxable value of the property to which the
18 construction was added in the immediately preceding year and the
19 denominator of which is the true cash value of the property to
20 which the construction was added in the immediately preceding
21 year, and then multiplied by the lesser of 1.05 or the inflation
22 rate.

23 (vi) An increase in taxable value attributable to the com-
24 plete or partial remediation of environmental contamination
25 existing on the immediately preceding tax day. The department of
26 environmental quality shall determine the degree of remediation
27 based on information available in existing department of

1 environmental quality records or information made available to
2 the department of environmental quality if the ~~appropriate~~
3 APPLICABLE assessing officer for a local tax collecting unit
4 requests that determination. The increase in taxable value
5 attributable to the remediation is the increase in true cash
6 value attributable to the remediation multiplied by a fraction
7 the numerator of which is the taxable value of the property had
8 it not been contaminated and the denominator of which is the true
9 cash value of the property had it not been contaminated.

10 (vii) An increase in the value attributable to the
11 property's occupancy rate if either a loss, as that term is
12 defined in this section, had been previously allowed because of a
13 decrease in the property's occupancy rate or if the value of new
14 construction was reduced because of a below-market occupancy
15 rate. For purposes of determining the taxable value of property
16 under section 27a, the value of an addition for the increased
17 occupancy rate is the product of the increase in the true cash
18 value of the property attributable to the increased occupancy
19 rate multiplied by a fraction the numerator of which is the tax-
20 able value of the property in the immediately preceding year and
21 the denominator of which is the true cash value of the property
22 in the immediately preceding year, and then multiplied by the
23 lesser of 1.05 or the inflation rate.

24 (viii) Public services. As used in this subparagraph,
25 "public services" means water service, sewer service, a primary
26 access road, natural gas service, electrical service, telephone
27 service, sidewalks, or street lighting. For purposes of

1 determining the taxable value of real property under section 27a,
2 the value of public services is the amount of increase in true
3 cash value of the property attributable to the available public
4 services multiplied by 0.50 and shall be added in the calendar
5 year following the calendar year when those public services are
6 initially available.

7 (c) For taxes levied after 1994, additions do not include
8 increased value attributable to any of the following:

9 (i) Platting, splits, or combinations of property.

10 (ii) A change in the zoning of property.

11 (iii) For the purposes of the calculation of the millage
12 reduction fraction under subsection (7) only, increased taxable
13 value under section 27a(3) OR, FOR QUALIFIED AGRICULTURAL PROPER-
14 TY, UNDER SECTION 27E(3) after a transfer of ownership of
15 property.

16 (d) "Assessed valuation of property as finally equalized"
17 means taxable value AS DETERMINED under section 27a.

18 (e) "Financial officer" means the officer responsible for
19 preparing the budget of a unit of local government.

20 (f) "General price level" means the annual average of the 12
21 monthly values for the United States consumer price index for all
22 urban consumers as defined and officially reported by the United
23 States department of labor, bureau of labor statistics.

24 (g) For taxes levied before 1995, "losses" means a decrease
25 in value caused by the removal or destruction of real or personal
26 property and the value of property taxed in the immediately

1 preceding year that has been exempted or removed from the
2 assessment unit's assessment roll.

3 (h) For taxes levied after 1994, "losses" means, except as
4 provided in subdivision (i), all of the following:

5 (i) Property that has been destroyed or removed. For pur-
6 poses of determining the taxable value of property under section
7 27a, the value of property destroyed or removed is the product of
8 the true cash value of that property multiplied by a fraction the
9 numerator of which is the taxable value of that property in the
10 immediately preceding year and the denominator of which is the
11 true cash value of that property in the immediately preceding
12 year.

13 (ii) Property that was subject to ad valorem taxation under
14 this act in the immediately preceding year that is now exempt
15 from ad valorem taxation under this act. For purposes of deter-
16 mining the taxable value of property under section 27a, the value
17 of property exempted from ad valorem taxation under this act is
18 the amount exempted.

19 (iii) An adjustment in value, if any, because of a decrease
20 in the property's occupancy rate, to the extent provided by law.
21 For purposes of determining the taxable value of real property
22 under section 27a, the value of a loss for a decrease in the
23 property's occupancy rate is the product of the decrease in the
24 true cash value of the property attributable to the decreased
25 occupancy rate multiplied by a fraction the numerator of which is
26 the taxable value of the property in the immediately preceding

1 year and the denominator of which is the true cash value of the
2 property in the immediately preceding year.

3 (iv) A decrease in taxable value attributable to environmen-
4 tal contamination existing on the immediately preceding tax day.
5 The department of environmental quality shall determine the
6 degree to which environmental contamination limits the use of
7 property based on information available in existing department of
8 environmental quality records or information made available to
9 the department of environmental quality if the ~~appropriate~~
10 APPLICABLE assessing officer for a local tax collecting unit
11 requests that determination. The department of environmental
12 quality's determination of the degree to which environmental con-
13 tamination limits the use of property shall be based on the cri-
14 teria established for the ~~classifications~~ CATEGORIES set forth
15 in section 20120a(1) of part 201 ~~(environmental remediation)~~ of
16 the natural resources and environmental protection act, ~~Act~~
17 ~~No. 451 of the Public Acts of 1994, being section 324.20120a of~~
18 ~~the Michigan Compiled Laws 1994 PA 451, MCL 324.20120A.~~ The
19 decrease in taxable value attributable to the contamination is
20 the decrease in true cash value attributable to the contamination
21 multiplied by a fraction the numerator of which is the taxable
22 value of the property had it not been contaminated and the denom-
23 inator of which is the true cash value of the property had it not
24 been contaminated.

25 (i) For taxes levied after 1994, losses do not include
26 decreased value attributable to either of the following:

1 (i) Platting, splits, or combinations of property.

2 (ii) A change in the zoning of property.

3 (j) "New construction and improvements" means additions less
4 losses.

5 (k) "Current year" means the year for which the millage lim-
6 itation is being calculated.

7 (l) "Inflation rate" means the ratio of the general price
8 level for the state fiscal year ending in the calendar year imme-
9 diately preceding the current year divided by the general price
10 level for the state fiscal year ending in the calendar year
11 before the year immediately preceding the current year.

12 (2) On or before the first Monday in May of each year, the
13 APPLICABLE assessing officer of each township or city shall tabu-
14 late the tentative taxable value as approved by the local board
15 of review and as modified by county equalization for each classi-
16 fication of property that is separately equalized for each unit
17 of local government and provide the tabulated tentative taxable
18 values to the county equalization director. The tabulation by
19 the APPLICABLE assessing officer shall contain additions and
20 losses for each classification of property that is separately
21 equalized for each unit of local government or part of a unit of
22 local government in the township or city. If as a result of
23 state equalization the taxable value of property changes, the
24 APPLICABLE assessing officer of each township or city shall
25 revise the calculations required by this subsection on or before
26 the Friday following the fourth Monday in May. The county
27 equalization director shall compute these amounts and the current

1 and immediately preceding year's taxable values for each
2 classification of property that is separately equalized for each
3 unit of local government that levies taxes under this act within
4 the boundary of the county. The county equalization director
5 shall cooperate with equalization directors of neighboring coun-
6 ties, as necessary, to make the computation for units of local
7 government located in more than 1 county. The county equaliza-
8 tion director shall calculate the millage reduction fraction for
9 each unit of local government in the county for the current
10 year. The financial officer for each taxing jurisdiction shall
11 calculate the compounded millage reduction fractions beginning in
12 1980 resulting from the multiplication of successive millage
13 reduction fractions and shall recognize a local voter action to
14 increase the compounded millage reduction fraction to a maximum
15 of 1 as a new beginning fraction. Upon request of the superin-
16 tendent of the intermediate school district, the county equaliza-
17 tion director shall transmit the complete computations of the
18 taxable values to the superintendent of the intermediate school
19 district within that county. At the request of the presidents of
20 community colleges, the county equalization director shall trans-
21 mit the complete computations of the taxable values to the presi-
22 dents of community colleges within the county.

23 (3) On or before the first Monday in June of each year, the
24 county equalization director shall deliver the statement of the
25 computations signed by the county equalization director to the
26 county treasurer.

1 (4) On or before the second Monday in June of each year, the
2 treasurer of each county shall certify the immediately preceding
3 year's taxable values, the current year's taxable values, the
4 amount of additions and losses for the current year, and the cur-
5 rent year's millage reduction fraction for each unit of local
6 government that levies a property tax in the county.

7 (5) The financial officer of each unit of local government
8 shall make the computation of the tax rate using the data certi-
9 fied by the county treasurer and the state tax commission. At
10 the annual session in October, the county board of commissioners
11 shall not authorize the levy of a tax unless the governing body
12 of the taxing jurisdiction has certified that the requested mill-
13 age has been reduced, if necessary, in compliance with section 31
14 of article IX of the state constitution of 1963.

15 (6) The number of mills permitted to be levied in a tax year
16 is limited as provided in this section pursuant to section 31 of
17 article IX of the state constitution of 1963. A unit of local
18 government shall not levy a tax rate greater than the rate deter-
19 mined by reducing its maximum rate or rates authorized by law or
20 charter by a millage reduction fraction as provided in this sec-
21 tion without voter approval.

22 (7) A millage reduction fraction shall be determined for
23 each year for each local unit of government. For ad valorem
24 property taxes that became a lien before January 1, 1983, the
25 numerator of the fraction shall be the total state equalized val-
26 uation for the immediately preceding year multiplied by the
27 inflation rate and the denominator of the fraction shall be the

1 total state equalized valuation for the current year minus new
2 construction and improvements. For ad valorem property taxes
3 that become a lien after December 31, 1982 and through
4 December 31, 1994, the numerator of the fraction shall be the
5 product of the difference between the total state equalized valu-
6 ation for the immediately preceding year minus losses multiplied
7 by the inflation rate and the denominator of the fraction shall
8 be the total state equalized valuation for the current year minus
9 additions. For ad valorem property taxes that are levied after
10 December 31, 1994, the numerator of the fraction shall be the
11 product of the difference between the total taxable value for the
12 immediately preceding year minus losses multiplied by the infla-
13 tion rate and the denominator of the fraction shall be the total
14 taxable value for the current year minus additions. For each
15 year after 1993, a millage reduction fraction shall not exceed
16 1.

17 (8) The compounded millage reduction fraction for each year
18 after 1980 shall be calculated by multiplying the local unit's
19 previous year's compounded millage reduction fraction by the cur-
20 rent year's millage reduction fraction. Beginning with 1980 tax
21 levies, the compounded millage reduction fraction for the year
22 shall be multiplied by the maximum millage rate authorized by law
23 or charter for the unit of local government for the year, except
24 as provided by subsection (9). A compounded millage reduction
25 fraction shall not exceed 1.

26 (9) The millage reduction shall be determined separately for
27 authorized millage approved by the voters. The limitation on

1 millage authorized by the voters on or before May 31 of a year
2 shall be calculated beginning with the millage reduction fraction
3 for that year. Millage authorized by the voters after May 31
4 shall not be subject to a millage reduction until the year fol-
5 lowing the voter authorization which shall be calculated begin-
6 ning with the millage reduction fraction for the year following
7 the authorization. The first millage reduction fraction used in
8 calculating the limitation on millage approved by the voters
9 after January 1, 1979 shall not exceed 1.

10 (10) A millage reduction fraction shall be applied sepa-
11 rately to the aggregate maximum millage rate authorized by a
12 charter and to each maximum millage rate authorized by state law
13 for a specific purpose.

14 (11) A unit of local government may submit to the voters for
15 their approval the levy in that year of a tax rate in excess of
16 the limit set by this section. The ballot question shall ask the
17 voters to approve the levy of a specific number of mills in
18 excess of the limit. The provisions of this section do not allow
19 the levy of a millage rate in excess of the maximum rate autho-
20 rized by law or charter. If the authorization to levy millage
21 expires after 1993 and a local governmental unit is asking voters
22 to renew the authorization to levy the millage, the ballot ques-
23 tion shall ask for renewed authorization for the number of expir-
24 ing mills as reduced by the millage reduction required by this
25 section. If the election occurs before June 1 of a year, the
26 millage reduction is based on the immediately preceding year's
27 millage reduction applicable to that millage. If the election

1 occurs after May 31 of a year, the millage reduction shall be
2 based on that year's millage reduction applicable to that millage
3 had it not expired.

4 (12) A reduction or limitation under this section shall not
5 be applied to taxes imposed for the payment of principal and
6 interest on bonds or other evidence of indebtedness or for the
7 payment of assessments or contract obligations in anticipation of
8 which bonds are issued that were authorized before December 23,
9 1978, as provided by former section 4 of chapter I of the munici-
10 pal finance act, ~~Act No. 202 of the Public Acts of 1943~~ 1943 PA
11 202, or to taxes imposed for the payment of principal and inter-
12 est on bonds or other evidence of indebtedness or for the payment
13 of assessments or contract obligations in anticipation of which
14 bonds are issued that are approved by the voters after December
15 22, 1978.

16 (13) If it is determined subsequent to the levy of a tax
17 that an incorrect millage reduction fraction has been applied,
18 the amount of additional tax revenue or the shortage of tax reve-
19 nue shall be deducted from or added to the next regular tax levy
20 for that unit of local government after the determination of the
21 authorized rate pursuant to this section.

22 (14) If as a result of an appeal of county equalization or
23 state equalization the taxable value of a unit of local govern-
24 ment changes, the millage reduction fraction for the year shall
25 be recalculated. The financial officer shall effectuate an addi-
26 tion or reduction of tax revenue in the same manner as prescribed
27 in subsection (13).

1 (15) The fractions calculated pursuant to this section shall
2 be rounded to 4 decimal places, except that the inflation rate
3 shall be computed by the state tax commission and shall be
4 rounded to 3 decimal places. The state tax commission shall pub-
5 lish the inflation rate before March 1 of each year.

6 (16) Beginning with taxes levied in 1994, the millage reduc-
7 tion required by section 31 of article IX of the state constitu-
8 tion of 1963 shall permanently reduce the maximum rate or rates
9 authorized by law or charter. The reduced maximum authorized
10 rate or rates for 1994 shall equal the product of the maximum
11 rate or rates authorized by law or charter before application of
12 this section multiplied by the ~~compound~~ COMPOUNDED millage
13 reduction applicable to that millage in 1994 pursuant to subsec-
14 tions (8) to (12). The reduced maximum authorized rate or rates
15 for 1995 and each year after 1995 shall equal the product of the
16 immediately preceding year's reduced maximum authorized rate or
17 rates multiplied by the current year's millage reduction fraction
18 and shall be adjusted for millage for which authorization has
19 expired and new authorized millage approved by the voters pursu-
20 ant to subsections (8) to (12).

21 Sec. 42. (1) The supervisor OR, FOR QUALIFIED AGRICULTURAL
22 PROPERTY, THE COUNTY EQUALIZATION DIRECTOR shall prepare a tax
23 roll, with the taxes levied as provided in this act, and annex to
24 the roll a warrant signed by him or her, commanding the township
25 or city treasurer to collect the several sums mentioned in the
26 last column of the roll. ~~but the~~ THE warrant shall not refer to

1 the total or aggregate of the several sums mentioned in the last
2 column. ~~, and~~

3 (2) THE WARRANT SHALL COMMAND THE TOWNSHIP OR CITY TREASURER
4 to retain the amount receivable by law into the township OR CITY
5 treasury for the purpose ~~therein~~ specified IN THE WARRANT, and
6 to ~~pay over~~ DO ALL OF THE FOLLOWING:

7 (A) PAY as provided in section 43 to the county treasurer
8 the amounts ~~which~~ THAT are collected for state and county
9 purposes. ~~, and~~

10 (B) PAY to the treasurer of each school district the amounts
11 ~~which~~ THAT are collected for that school district as provided
12 in section 43. ~~, and notify~~

13 (C) NOTIFY the secretary or director of each school district
14 of the amount paid to the school district treasurer, and the
15 remainder of the amounts specified in the roll for the purposes
16 specified in the roll. ~~, and account~~

17 (D) ACCOUNT in full for all money received on or before THE
18 IMMEDIATELY SUCCEEDING March 1. ~~next following.~~

19 (3) The warrant shall authorize and command the TOWNSHIP OR
20 CITY treasurer, ~~in case~~ IF any person named in the tax roll
21 neglects or refuses to pay the tax, to levy the tax by distress
22 and sale of ~~the~~ THAT PERSON'S goods and chattels. ~~of the~~
23 ~~person.~~

24 (4) The supervisor OR, FOR QUALIFIED AGRICULTURAL PROPERTY,
25 THE COUNTY EQUALIZATION DIRECTOR may make a new roll and warrant
26 ~~in case of the loss of~~ IF the roll originally given to the

1 township OR CITY treasurer IS LOST. The copy of the roll with
2 the warrant annexed shall be known as "the tax ~~roll.~~" ROLL".

3 Sec. 44. (1) Upon receipt of the tax roll, the township
4 treasurer or other collector shall proceed to collect the taxes.
5 The township treasurer or other collector shall mail to each tax-
6 payer at the taxpayer's last known address on the tax roll or to
7 the taxpayer's designated agent a statement showing the descrip-
8 tion of the property against which the tax is levied, the taxable
9 value of the property, and the amount of the tax on the
10 property. If a tax statement is mailed to the taxpayer, a tax
11 statement sent to a taxpayer's designated agent may be in a sum-
12 mary form or may be in an electronic data processing format. If
13 the tax statement information is provided to both a taxpayer and
14 the taxpayer's designated agent, the tax statement mailed to the
15 taxpayer may be identified as an informational copy. FOR QUALI-
16 FIED AGRICULTURAL PROPERTY ONLY, THE TAX STATEMENT MAILED TO THE
17 TAXPAYER OR TO THE TAXPAYER'S DESIGNATED AGENT SHALL INCLUDE THE
18 RECAPTURE TAX THAT WOULD BE IMPOSED UNDER THE AGRICULTURAL PROP-
19 ERTY RECAPTURE ACT IF THE QUALIFIED AGRICULTURAL PROPERTY WERE
20 CONVERTED BY A CHANGE IN USE, AS THAT TERM IS DEFINED IN THE
21 AGRICULTURAL PROPERTY RECAPTURE ACT. A township treasurer or
22 other collector electing to send a tax statement to a taxpayer's
23 designated agent or electing not to include an itemization in the
24 manner described in subsection (9)(c) in a tax statement mailed
25 to the taxpayer shall, upon request, mail a detailed copy of the
26 tax statement, including an itemization of the amount of tax in

1 the manner described by subsection (9)(c), to the taxpayer
2 without charge, as previously required by this section.

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

21 (3) Except as provided by subsection (7), on a sum volun-
22 tarily paid before February 15 of the succeeding year, the local
23 property tax collecting unit shall add 1% for a property tax
24 administration fee. However, unless otherwise provided for by an
25 agreement between the APPLICABLE assessing unit and the collect-
26 ing unit, if a local property tax collecting unit other than a
27 village does not also serve as the ~~local~~ APPLICABLE assessing

1 unit, the excess of the amount of property tax administration
2 fees over the expense to the local property tax collecting unit
3 in collecting the taxes, but not less than 80% of the fee
4 imposed, shall be returned to the ~~local~~ APPLICABLE assessing
5 unit. A property tax administration fee is defined as a fee to
6 offset costs incurred by a collecting unit in assessing property
7 values, collecting the property tax levies, and in the review and
8 appeal processes. The costs of any appeals, in excess of funds
9 available from the property tax administration fee, may be shared
10 by any taxing unit only if approved by the governing body of the
11 taxing unit. Except as provided by subsection (7), on all taxes
12 paid after February 14 and before March 1 the governing body of a
13 city or township may authorize the treasurer to add to the tax a
14 property tax administration fee to the extent imposed on taxes
15 paid before February 15 and a late penalty charge equal to 3% of
16 the tax. ~~Interest~~ THE GOVERNING BODY OF A CITY OR TOWNSHIP MAY
17 WAIVE INTEREST from February 15 to the last day of February on a
18 summer property tax that has been deferred under section 51 or
19 any late penalty charge ~~may be waived by the governing body of a~~
20 ~~city or township~~ for the homestead property of a senior citizen,
21 paraplegic, quadriplegic, hemiplegic, eligible serviceperson,
22 eligible veteran, eligible widow or widower, totally and per-
23 manently disabled person, or blind person, as those persons are
24 defined in chapter 9 of the income tax act of 1967, ~~Act No. 281~~
25 ~~of the Public Acts of 1967, being sections 206.501 to 206.532 of~~
26 ~~the Michigan Compiled Laws 1967 PA 281, MCL 206.501 TO 206.532,~~
27 if the person makes a claim before February 15 for a credit for

1 that property provided by chapter 9 of ~~Act No. 281 of the Public~~
2 ~~Acts of 1967~~ THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL
3 206.501 TO 206.532, if the person presents a copy of the form
4 filed for that credit to the local treasurer, and if the person
5 has not received the credit before February 15. ~~Interest~~ THE
6 GOVERNING BODY OF A CITY OR TOWNSHIP MAY WAIVE INTEREST from
7 February 15 to the last day of February on a summer property tax
8 deferred under section 51 or any late penalty charge ~~may be~~
9 ~~waived by the governing body of a city or township~~ for a
10 person's property that is subject to a farmland development
11 rights agreement recorded with the register of deeds of the
12 county in which the property is situated as provided in section
13 36104 of part 361 ~~(farmland and open space preservation)~~ of the
14 natural resources and environmental protection act, ~~Act No. 451~~
15 ~~of the Public Acts of 1994, being section 324.36104 of the~~
16 ~~Michigan Compiled Laws~~ 1994 PA 451, MCL 324.36104, if the person
17 presents a copy of the development rights agreement or verifica-
18 tion that the property is subject to a development rights agree-
19 ment before February 15. A 4% county property tax administration
20 fee, a property tax administration fee to the extent imposed on
21 and if authorized under subsection (7) for taxes paid before
22 March 1, and interest on the tax at the rate of 1% per month
23 shall be added to taxes collected by the township or city trea-
24 surer after the last day of February and before settlement with
25 the county treasurer, and the payment shall be treated as though
26 collected by the county treasurer. If the statements required to
27 be mailed by this section are not mailed before December 31, the

1 treasurer shall not impose a late penalty charge ~~with respect~~
2 to ON taxes collected after February 14.

3 (4) The governing body of a local property tax collecting
4 unit may waive all or part of the property tax administration fee
5 or the late penalty charge, or both. A property tax administra-
6 tion fee collected by the township treasurer shall be used only
7 for the purposes for which it may collected as specified by sub-
8 section (3) and this subsection. If the bond of the treasurer,
9 as provided in section 43, is furnished by a surety company, the
10 cost of the bond may be paid by the township from the property
11 tax administration fee.

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

18 (6) Along with taxes returned delinquent to a county trea-
19 surer under section 55, the amount of the 1% property tax admin-
20 istration fee prescribed by subsection (3) that is imposed and
21 not paid shall be included in the return of delinquent taxes and,
22 when delinquent taxes are distributed by the county treasurer
23 under this act, the delinquent 1% property tax administration fee
24 shall be distributed to the treasurer of the local unit who
25 transmitted the statement of taxes returned as delinquent.
26 Interest imposed upon delinquent property taxes under this act
27 shall also be imposed upon the 1% property tax administration fee

1 and, for purposes of this act other than to which local unit the
2 county treasurer shall distribute a delinquent 1% property tax
3 administration fee, any reference to delinquent taxes shall be
4 considered to include the 1% property tax administration fee
5 returned as delinquent for the same property.

6 (7) The local property tax collecting treasurer shall not
7 impose a property tax administration fee, collection fee, or any
8 type of late penalty charge authorized by law or charter unless
9 the governing body of the local property tax collecting unit
10 approves, by resolution or ordinance adopted after
11 December 31, 1982, an authorization for the imposition of a prop-
12 erty tax administration fee, collection fee, or any type of late
13 penalty charge provided for by this section or by charter, which
14 authorization shall be valid for all levies that become a lien
15 after the resolution or ordinance is adopted. However, unless
16 otherwise provided for by an agreement between the assessing unit
17 and the collecting unit, a local property tax collecting unit
18 that does not also serve as the assessing unit shall impose a
19 property tax administration fee on each parcel at a rate equal to
20 the rate of the fee imposed for city or township taxes on that
21 parcel.

22 (8) The annual statement required by ~~Act No. 125 of the~~
23 ~~Public Acts of 1966, being sections 565.161 to 565.164 of the~~
24 ~~Michigan Compiled Laws~~ 1966 PA 125, MCL 565.161 TO 565.164, or a
25 monthly billing form or mortgagor passbook provided instead of
26 that annual statement shall include a statement to the effect
27 that a taxpayer who ~~has~~ WAS not ~~been~~ mailed the tax statement

1 or a copy of the tax statement by the township treasurer or other
2 collector shall receive, upon request and without charge, a copy
3 of the tax statement from the township treasurer or other collec-
4 tor or, if the tax statement has been mailed to the taxpayer's
5 designated agent, from either the taxpayer's designated agent or
6 the township treasurer or other collector. A designated agent
7 who is subject to ~~Act No. 125 of the Public Acts of 1966~~ 1966
8 PA 125, MCL 565.161 TO 565.164, and who has been mailed the tax
9 statement for taxes that became a lien in the calendar year imme-
10 diately preceding the year in which the annual statement may be
11 required to be furnished shall mail, upon ~~the~~ request ~~of~~ and
12 without charge to a taxpayer who ~~has~~ WAS not ~~been~~ mailed that
13 tax statement or a copy of that tax statement, a copy of that tax
14 statement. ~~to that taxpayer.~~

15 (9) As used in this section:

16 (a) "Designated agent" means an individual, partnership,
17 association, corporation, receiver, estate, trust, or other legal
18 entity that has entered into an escrow account agreement or other
19 agreement with the taxpayer that obligates that individual or
20 legal entity to pay the property taxes for the taxpayer or, if an
21 agreement has not been entered into, that ~~has been~~ WAS desig-
22 nated by the taxpayer on a form made available to the taxpayer by
23 the township treasurer and filed with that treasurer. The desig-
24 nation by the taxpayer shall remain in effect until revoked by
25 the taxpayer in a writing filed with the township treasurer. The
26 form made available by the township treasurer shall include a
27 statement that submission of the form allows the treasurer to

1 mail the tax statement to the designated agent instead of to the
2 taxpayer and a statement notifying the taxpayer of his or her
3 right to revoke the designation by a writing filed with the town-
4 ship treasurer.

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

7 (c) When describing in subsection (1) that the amount of tax
8 on the property must be shown in the tax statement, "amount of
9 tax" means an itemization by dollar amount of each of the several
10 ad valorem property taxes and special assessments that a person
11 may pay under section 53 and an itemization by millage rate, on
12 either the tax statement or a separate form accompanying the tax
13 statement, of each of the several ad valorem property taxes that
14 a person may pay under section 53. The township treasurer or
15 other collector may replace the itemization described in this
16 subdivision with a statement informing the taxpayer that the
17 itemization of the dollar amount and millage rate of the taxes is
18 available without charge from the local property tax collecting
19 unit.

20 Sec. 53b. (1) If there has been a clerical error or a
21 mutual mistake of fact relative to the correct assessment fig-
22 ures, the rate of taxation, or the mathematical computation
23 relating to the assessing of taxes, the CLERICAL error or mutual
24 mistake OF FACT shall be verified by the ~~local~~ APPLICABLE
25 assessing officer and approved by the APPLICABLE board of review
26 at a meeting held for the purposes of this section on Tuesday
27 following the second Monday in December, and for summer property

1 taxes, on Tuesday following the third Monday in July. If
 2 approved, the board of review shall file an affidavit within 30
 3 days relative to the ~~errors~~ CLERICAL ERROR or mutual mistake OF
 4 FACT with the proper officials who are involved with the assess-
 5 ment figures, rate of taxation, or mathematical computation and
 6 all affected official records shall be corrected. IF THE CLERI-
 7 CAL ERROR OR MUTUAL MISTAKE OF FACT RESULTS IN AN UNDERPAYMENT,
 8 THE TAXPAYER SHALL BE NOTIFIED AND PAYMENT MADE WITHIN 30 DAYS OF
 9 THE NOTICE. If the CLERICAL error or mutual mistake OF FACT
 10 results in an overpayment, ~~or underpayment, the~~ A rebate,
 11 including any interest paid, shall be made to the taxpayer. ~~or~~
 12 ~~the taxpayer shall be notified and payment made within 30 days of~~
 13 ~~the notice.~~ A rebate shall be without interest. The county
 14 treasurer may deduct the rebate from the appropriate tax collect-
 15 ing unit's subsequent distribution of taxes. The county trea-
 16 surer shall bill to the appropriate tax collecting unit the tax
 17 collecting unit's share of taxes rebated. A correction under
 18 this subsection may be made in the year in which the error was
 19 made or in the following year only.

20 (2) Action pursuant to this section may be initiated by the
 21 taxpayer or the APPLICABLE assessing officer.

22 (3) ~~The~~ A board of review meeting in July and December
 23 shall meet only for the purpose described in subsection (1) and
 24 to hear appeals provided for in sections 7u, 7cc, and 7ee. If an
 25 exemption under section 7u is approved, the board of review shall
 26 file an affidavit with the proper officials involved in the
 27 assessment and collection of taxes and all affected official

1 records shall be corrected. If an appeal under section 7cc or
2 7ee results in a determination that an overpayment has been made,
3 the APPLICABLE board of review shall file an affidavit and a
4 rebate shall be made at the times and in the manner provided in
5 subsection (1). Except as otherwise provided in sections 7cc and
6 7ee, a correction under this subsection shall be made for the
7 year in which the appeal is made only. If ~~the~~ A board of
8 review grants an exemption or provides a rebate for property
9 under section 7cc or 7ee as provided in this subsection, the
10 APPLICABLE board of review shall require the owner to execute the
11 affidavit provided for in section 7cc or 7ee and shall forward a
12 copy of any section 7cc affidavits to the department of
13 treasury.

14 (4) If an exemption under section 7cc is granted by ~~the~~ A
15 board of review under this section, the provisions of
16 section 7cc(6) through (8) apply. If an exemption under
17 section 7cc is not granted by ~~the~~ A board of review under this
18 section, the owner may appeal that decision in writing to the
19 department of treasury within 35 days of the board of review's
20 denial and the appeal shall be conducted as provided in
21 section 7cc(7).

22 (5) An owner or ~~assessor~~ APPLICABLE ASSESSING OFFICER may
23 appeal a decision of the QUALIFIED AGRICULTURAL PROPERTY board of
24 review under this section regarding an exemption under
25 section 7ee to the residential and small claims division of the
26 Michigan tax tribunal. An owner is not required to pay the
27 amount of tax in dispute in order to receive a final

1 determination of the residential and small claims division of the
2 Michigan tax tribunal. However, interest and penalties, if any,
3 shall accrue and be computed based on interest and penalties that
4 would have accrued from the date the taxes were originally levied
5 as if there had not been an exemption.

6 Enacting section 1. Section 7a of the general property tax
7 act, 1893 PA 206, MCL 211.7a, is repealed.

8 Enacting section 2. This amendatory act does not take
9 effect unless all of the following occur:

10 (a) Senate Bill No. 1247

11 of the 90th Legislature is enacted into law.

12 (b) Senate Bill No. 1246

13 of the 90th Legislature is enacted into law.

14 (c) Senate Joint Resolution M of the 90th Legislature
15 becomes a part of the state constitution of 1963 as provided in
16 section 1 of article XII of the state constitution of 1963.