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ASSESSMENT OF PROPERTY: TELEPHONE COMPANIES

Senate Bill 1238 as passed by the Senate
Sponsor: Rep. Joanne G. Emmons
Senate Committee: Finance
House Committee: Tax Policy

Complete to 12-4-02

A SUMMARY OF SENATE BILL 1238 AS PASSED BY THE SENATE 11-14-02

Telephone and telegraph companies (and railroad companies) pay a tax on their property to the state under Public Act 282 of 1905. This is in lieu of general property taxes. Senate Bill 1238 would amend the act to provide that the true cash value of property of telephone and telegraph companies would be determined in the same manner as property assessed under the General Property Tax Act. Further, the bill would define "property" so that for telegraph and telephone companies, it would apply only to property that would be subject to the collection of taxes under the General Property Tax Act. The bill would specify that the companies are to be taxed on tangible property, real and personal, owned, used, and occupied by them within Michigan. (This is understood to remove "intangible" property from the tax base of these companies).

The bill would apply to tax years that begin after December 31, 2005. The determination of true cash value would be made by the State Board of Assessors (as it is now).

MCL 207.4 et al.

Senate Bill 1238 (12-4-02)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.