



**House
Legislative
Analysis
Section**

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**CHANGE MANDATORY HOURS FOR
LOCAL TREASURERS**

**House Bill 5947 as introduced
First Analysis (5-1-02)**

**Sponsor: Rep. Paul N. DeWeese
Committee: Local Government and
Urban Policy**

THE APPARENT PROBLEM:

The General Property Tax Act currently requires a local treasurer to be in his or her office to receive taxes from 9:00 to 5:00 on each Friday in the month of December. The act allows for exceptions to this requirement in case Christmas Eve, Christmas Day, New Year's Eve, or another day designated by the township (or other local unit of government) as a holiday for local government employees falls on a Friday; in this case, the treasurer must receive taxes on the day immediately preceding the holiday. According to a representative of the Michigan Townships Association (MTA), there are two things that are puzzling about this requirement. First, it is unclear why current statute should require local treasurers to be in their offices on a regular basis in December when winter taxes are due in February. Second, it is unclear why current statute should require local treasurers to be in their offices for several days in the month leading up to the date that taxes are due, given that most people send their payments in by mail anyway.

According to the representative of the MTA, this requirement is a vestige from a time when property tax bills were sent out on December 1 and due the following January 10. Perhaps more importantly, it is a vestige from a time in which people generally did not have daily mail service, checking accounts, phones, or cars. Without these amenities it made sense to require local treasurers to be in their offices to receive taxes at specific times on specific days between the time when bills were delivered and when they were due. With winter property taxes due in February, some people believe that the requirement has outlived whatever rationale it once had. Legislation has been introduced that would eliminate this requirement and require instead that a local treasurer be in his or her office from 9:00 to 5:00 to receive taxes on the day they are due.

THE CONTENT OF THE BILL:

House Bill 5947 would amend the General Property Tax Act to require that a township (or other municipal) treasurer remain in his or her office from 9 a.m. to 5 p.m. to receive taxes on the last day that the taxes are due and payable before being returned as delinquent. (Although the section of the act being amended specifies that this requirement would apply to a "township treasurer," section 107 of the act states: "For purposes of this act, reference to supervisor, township treasurer, and board of review includes assessing and collecting officers and boards whose duty it is to review an assessment roll. The word township may include city, ward, village, or, if in relation to property tax collection functions, any other local property tax collecting unit." Thus, it appears that a treasurer of a township, city, ward, or village would be equally subject to the bill's requirements.)

The bill would eliminate the requirement that the treasurer be in his or her office from 9:00 to 5:00 to collect taxes on each Friday, or preceding day in case a holiday falls on a Friday, in the month of December.

MCL 211.44

FISCAL IMPLICATIONS:

The House Fiscal Agency reports that the bill is expected to have no significant fiscal impact. (4-25-02)

ARGUMENTS:

For:

The act's current requirement that local treasurers be in their office on each Friday in the month of December is unnecessary. Moreover, it is especially burdensome for township treasurers, many of whom work part-time and can think of many more

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productive uses of their time during the holiday season. The requirement made sense at a time when most people hand delivered their taxes and when taxes were due in January. Otherwise, an upstanding taxpayer might have left his or her house, walked or ridden a horse to the treasurer's office with a pocket full of cash, only to find that the treasurer was out (ice) fishing for supper. Given that most people mail their taxes now anyway, the only time that it is crucial for the treasurer to be in the office is days on which taxes are actually due, when some people actually do show up with payment in hand. Local treasurers already understand that they should be in the office on such days, so they do not regard such a requirement as onerous. Senate Bills 1165 and 1166, which the governor signed into law this week, are expected to result in over 900 additional local governments collecting property taxes during the summer. In anticipation of what they regard as a doubling of their professional responsibilities (without necessarily a doubling of their salaries), many township treasurers have contacted the Michigan Townships Association to ask whether the new legislation requires them to be in the office every Friday from 9:00 to 5:00 for a month in the summer as well. Although it does not, it seems an appropriate time to acknowledge that the current requirement is archaic and to get rid of it.

POSITIONS:

The Department of Treasury supports the bill. (4-30-02)

The Michigan Townships Association supports the bill. (4-30-02)

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■ 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.