

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5947 (Substitute S-1 as reported)
Sponsor: Representative Paul N. DeWeese
House Committee: Local Government and Urban Policy
Senate Committee: Finance

Date Completed: 10-14-02

RATIONALE

Section 44 of the General Property Tax Act regulates the collection of taxes by local treasurers. Currently, Section 44 requires a local treasurer to remain in his or her office, or some convenient place in the local unit, from 9 a.m. to 5 p.m. on each Friday in December or on the preceding day if a Friday is a holiday, to receive taxes. According to the Michigan Townships Association, this requirement was placed in statute in the 1800s. It has been pointed out that while tax bills used to be sent in December and were due in early January, now property taxes are due February 15, and some local units collect summer property tax levies in September. It has been suggested that local treasurers be required to be in their offices on the last day taxes are due, and that the requirement for December office hours be eliminated.

CONTENT

The bill would amend Section 44 of the General Property Tax Act to require the treasurer of a local unit of government (a city, township, or village) to remain in his or her office, or at some convenient place in the local unit, from 9 a.m. to 5 p.m. to receive taxes on the last day that taxes were due before becoming delinquent. Further, the bill would delete current requirements that a local treasurer remain in his or her office, or some convenient place in the local unit, from 9 a.m. to 5 p.m. on each Friday in December or on the preceding day if a Friday is a holiday, to receive taxes; and a provision that requires the treasurer to receive taxes on a weekday when they are offered.

(Although Section 44 refers to a "township" treasurer, Section 107(2) of the Act states, "For purposes of this act, reference to...township treasurer...includes assessing and collecting officers...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.")

MCL 211.44

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The Act's current requirement that local treasurers be in their office on each Friday in the month of December is unnecessary, and it is burdensome for treasurers who work part-time. The requirement made sense at a time when most people hand-delivered their taxes, and when all property taxes were due in January. Today, it is unclear why local treasurers are required to be in their offices on a regular basis in December, when winter property taxes are due February 15 and the vast majority of taxpayers mail their taxes. The bill would eliminate these outdated provisions but still require local treasurers to be available on the last day taxes are due, to ensure that taxpayers still could show up to pay in person.

Legislative Analyst: George Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.