

Legislative Analysis



REPEAL MICHIGAN BAND TAX

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4999 (reported from committee without amendment)

Sponsor: Rep. Pat Somerville

Committee: Local Government

First Analysis (10-29-13)

BRIEF SUMMARY: The bill would repeal an unused law that allows local governments with 50,000 or fewer residents to levy a property tax of up to 2 mills for the maintenance and employment of a "band for musical purposes for the benefit of the public," provided that the voters agree to do so by a majority vote.

FISCAL IMPACT: As written, the bill would have no impact on state revenue, and would lower revenue by an indeterminate amount in a local unit that had previously enacted a millage under the act.

THE APPARENT PROBLEM:

There is a 90-year old law on the books that allows a community having 50,000 or fewer people to levy up to two mills of property tax, and use the revenue to support a local musical band.

According to committee testimony, there are no community bands in Michigan supported with this levy. Legislation has been introduced to repeal what some consider an outdated and unused law.

THE CONTENT OF THE BILL:

House Bill 4999 would repeal Public Act 230 of 1923, which allows local governments with 50,000 or fewer residents to levy a property tax of up to 2 mills for the maintenance and employment of a "band for musical purposes for the benefit of the public", provided that the voters agree to do so by a majority vote. The 1923 act that would be repealed by House Bill 4999 appears below in its entirety.

123.861 Town band; consent of voters in referendum.

Sec. 1. The township board, village council, common council, commission, or other legislative body of any township or village of this state, or city having a population not exceeding 50,000 inhabitants, upon petition of 10 per centum of the qualified voters thereof, shall submit the question to the people as to whether such village, township or city, as the case may be, shall come under the provisions of this act and, if adopted or agreed to by a majority vote of the qualified voters participating in said election, then this act shall be in full force and effect.

123.862 Band maintenance; annual tax, limit.

Sec. 2. In all such villages, townships or cities adopting the provisions of this act, the legislative body thereof is authorized and empowered to levy an annual tax not exceeding 2 mills on each dollar of the assessed valuation of such village, township or city as the case may be, for the

maintenance and employment, under municipal control, of a band for musical purposes for the benefit of the public.

123.863 Existing bands; adoption of provisions of act, procedure.

Sec. 3. Any such village, township or city, having previously adopted the provisions of this act, may at any time thereafter relinquish said authority or power by following the same procedure as provided in this act for adopting the provisions thereof: Provided, That such action may be taken by the legislative body aforesaid only after a petition signed by 10 per centum of the qualified voters residing in such village, township or city, as the case may be, duly filed with the legislative body thereof at least 60 days prior to the date of re-submission, asking that the question of relinquishment of said authority be re-submitted to the vote of the people.

ARGUMENTS:

For:

The 90-year old law that allows voters to approve up to a two-mill property tax levy to support a local band should be repealed; it is out of date and not used.

POSITIONS:

The Department of Licensing and Regulatory Affairs is neutral on the bill. 10-24-13

Legislative Analyst: J. Hunault
Fiscal Analyst: Jim Stansell
Adam Desrosiers

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