

# HOUSE BILL No. 5611

April 28, 2016, Introduced by Rep. Farrington and referred to the Committee on Tax Policy.

A bill to amend 1966 PA 331, entitled  
"Community college act of 1966,"  
by amending section 144 (MCL 389.144), as amended by 2003 PA 306.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 144. (1) The board of trustees of each community college  
2 district may levy for the purposes specified as within the power of  
3 the board a tax that does not exceed the rate previously or  
4 subsequently authorized by the qualified electors of the district  
5 or the rate derived through the previous adoption by the electors  
6 of the district of former 1955 PA 188, or the rate that is  
7 allocated to the community college district in accordance with the  
8 property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a.  
9 The funds may be used for all purposes authorized, except that to  
10 the extent permitted under the revised municipal finance act, 2001  
11 PA 34, MCL 141.2101 to 141.2821, taxes imposed for the payment of

1 principal and interest on bonds or other evidences of indebtedness  
2 or for the payment of assessments or contract obligations in  
3 anticipation of which bonds are issued may be imposed without  
4 limitation as to rate or amount. This limitation may be increased  
5 to not more than 5 mills if approved by a majority of the qualified  
6 electors voting on the question at a regular or special election of  
7 the community college district.

8 (2) Except as provided in subsection (3), the board of  
9 trustees shall determine the total taxes required for any year and  
10 shall certify the approved tax rate to be levied and the amount of  
11 taxes to be raised to the proper assessing officer of each city and  
12 township in which the territory of the community college district  
13 is situated on or before September 1 of each year, except that the  
14 board of trustees may provide by resolution that taxes to be raised  
15 against property within any city or township, any portion of which  
16 lies within the community college district boundaries, may be  
17 levied and collected in the same manner and at the same time as the  
18 city or township taxes or in the same manner and at the same time  
19 as school district or intermediate school district taxes are being  
20 collected by the city or township under part 26 of the revised  
21 school code, 1976 PA 451, MCL 380.1611 to 380.1615.

22 (3) By resolution of its board on or before May 15 of the year  
23 in which it is established, a community college district  
24 established under this act between January 1 and May 1 of any  
25 calendar year may impose a summer property tax levy of either the  
26 total or 1/2 of the community college district property taxes for  
27 that tax year. The board resolution shall also determine the total

1 taxes required for that tax year and certify the approved tax rate  
2 to be levied and the amount of taxes to be raised to the proper  
3 assessing officer of each city or township in which the territory  
4 of the community college district is situated. Upon receipt of that  
5 board resolution, each city and township in which the community  
6 college district is situated that collects a summer property tax  
7 levy under section 1613 of the revised school code, 1976 PA 451,  
8 MCL 380.1613, shall collect the summer levy for that year. The  
9 reasonable and actual expenses incurred by a city or township in  
10 collecting the community college district property taxes under this  
11 subsection, to the extent these expenses are in addition to the  
12 expense of collecting and assessing any other taxes at the same  
13 time and exceed the amount of any fees imposed for the collection  
14 of the community college property taxes, shall be billed to and  
15 paid by the community college district. For the purposes of this  
16 subsection, reasonable and actual expenses shall not exceed the  
17 current collection agreements negotiated with the largest  
18 intermediate school district within the community college district.  
19 This subsection applies until December 31, 1992.

20 (4) All money collected by a tax collecting officer from the  
21 tax levied under this section shall be returned to the community  
22 college district as provided by section 43 of the general property  
23 tax act, 1893 PA 206, MCL 211.43, or to the county treasurer who  
24 shall pay the taxes so returned immediately to the community  
25 college district.

26 (5) The subjects of taxation for the community college  
27 district purposes shall be the same as for state, county, and other

1 school purposes as provided under the general property tax act,  
2 1893 PA 206, MCL 211.1 to ~~211.157~~-211.155.

3 (6) NOTWITHSTANDING ANY PROVISION OF THIS ACT TO THE CONTRARY,  
4 BOTH OF THE FOLLOWING APPLY IF THE BOARD OF TRUSTEES OF A COMMUNITY  
5 COLLEGE DISTRICT ESTABLISHES OR OPERATES A BACCALAUREATE DEGREE  
6 PROGRAM UNDER SECTION 121:

7 (A) THAT BOARD OF TRUSTEES SHALL NOT LEVY ANY TAXES UNDER THIS  
8 ACT.

9 (B) ANY TAXES PREVIOUSLY LEVIED BY THAT BOARD OF TRUSTEES  
10 UNDER THIS ACT SHALL NOT BE COLLECTED FOR OR RETURNED TO THAT  
11 BOARD'S COMMUNITY COLLEGE DISTRICT.

12 Enacting section 1. This amendatory act does not take effect  
13 unless all of the following bills of the 98th Legislature are  
14 enacted into law:

15 (a) Senate Bill No. 98.

16 (b) Senate Bill No. \_\_\_\_ or House Bill No. 5612 (request no.  
17 05793'16 a).