

HOUSE BILL No. 5765

July 13, 2016, Introduced by Rep. Iden and referred to the Committee on Tax Policy.

A bill to amend 1973 PA 186, entitled "Tax tribunal act," by amending sections 3, 21, 22, 25, 26, 32, 34, 35a, 49, 51, and 62 (MCL 205.703, 205.721, 205.722, 205.725, 205.726, 205.732, 205.734, 205.735a, 205.749, 205.751, and 205.762), sections 3, 32, and 35a as amended by 2008 PA 125, section 22 as amended by 2008 PA 127, sections 26 and 49 as amended by 2008 PA 126, section 34 as amended by 1980 PA 437, and section 62 as amended by 2008 PA 128; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:
2 (a) "Agency" means a board, official, or administrative agency
3 empowered to make a decision, finding, ruling, assessment,
4 determination, or order that is subject to review under the
5 jurisdiction of the tribunal or that has collected a tax for which

1 a refund is claimed.

2 (b) "Chairperson" means the chairperson of the tribunal.

3 (C) **"ENTIRE TRIBUNAL" MEANS THE HEARING DIVISION OF THE**
 4 **TRIBUNAL OTHER THAN THE RESIDENTIAL PROPERTY AND SMALL CLAIMS**
 5 **DIVISION CREATED IN SECTION 61.**

6 (D) ~~(e)~~—"Mediation" means a voluntary process in which a
 7 mediator facilitates communication between parties, assists in
 8 identifying issues, and helps explore solutions to promote a
 9 mutually acceptable settlement.

10 (E) ~~(d)~~—"Mediator" means a neutral third party who is
 11 certified by the tribunal under section 47 as a mediator in a
 12 proceeding before the tribunal or as a facilitator in the court of
 13 claims, and who is agreed to by the parties.

14 (F) ~~(e)~~—"Proceeding" means an appeal taken under this act.

15 (G) ~~(f)~~—"Property tax laws" does not include the drain code of
 16 1956, 1956 PA 40, MCL 280.1 to 280.630.

17 (H) ~~(g)~~—"Tribunal" means the tax tribunal created under
 18 section 21.

19 Sec. 21. (1) The tax tribunal is created and is a quasi-
 20 judicial agency which, for administrative purposes only, is in the
 21 department of ~~treasury~~. **LICENSING AND REGULATORY AFFAIRS.**

22 (2) The tribunal ~~consists~~ **SHALL CONSIST** of 7 members, **EACH**
 23 appointed by the governor **AS A FULL- OR PART-TIME MEMBER**, with the
 24 advice and consent of the senate, for ~~terms~~ **A TERM** of 4 years. The
 25 ~~2 additional members first appointed by this amendatory act shall~~
 26 ~~first serve for 3 years.~~ **WHEN MAKING AN APPOINTMENT, THE GOVERNOR**
 27 **SHALL CONSIDER A LIST OF QUALIFIED CANDIDATES SOLICITED FROM AT**

1 LEAST 1 APPROPRIATE PROFESSIONAL ASSOCIATION LOCATED AND PRIMARILY
2 OPERATING IN THIS STATE.

3 (3) SUBJECT TO SUBSECTION (6), THE FULL- OR PART-TIME STATUS
4 OF A MEMBER, INCLUDING ANY HOURLY BASIS FOR THAT STATUS, SHALL NOT
5 BE DIMINISHED DURING THE LENGTH OF HIS OR HER TERM WITHOUT HIS OR
6 HER CONSENT.

7 (4) A member may be reappointed and a vacancy shall be filled
8 for an unexpired term in the same manner as the appointment is made
9 for a full term.

10 (5) THE GOVERNOR SHALL DESIGNATE A MEMBER AS CHAIRPERSON, WHO
11 SHALL ASSIGN MATTERS, APPORTION BUSINESS OF THE TRIBUNAL, AND
12 PERFORM OTHER DUTIES PRESCRIBED BY LAW. THE CHAIRPERSON SHALL SERVE
13 IN THAT CAPACITY AT THE PLEASURE OF THE GOVERNOR.

14 (6) THE GOVERNOR MAY REMOVE A MEMBER, AFTER NOTICE AND AN
15 OPPORTUNITY TO BE HEARD, FOR FAILURE TO SUBSTANTIALLY PERFORM HIS
16 OR HER DUTIES UNDER THIS ACT, MALFEASANCE, MISFEASANCE, OR
17 NONFEASANCE IN OFFICE, OR OTHER GOOD CAUSE.

18 (7) MEMBERS SHALL RECEIVE TRAINING ON MATTERS RELEVANT TO THE
19 WORK OF THE TRIBUNAL, INCLUDING, BUT NOT LIMITED TO, PROPER
20 COURTROOM PROCEDURES AND STATE AND LOCAL TAX ISSUES.

21 Sec. 22. (1) ALL OF THE FOLLOWING APPLY TO TRIBUNAL
22 MEMBERSHIP:

23 (A) ~~(1)~~—The members of the tribunal shall be citizens of the
24 United States and residents of this state.

25 (B) At least 2 members shall be attorneys admitted to practice
26 in this state who have been engaged for at least 5 years
27 immediately preceding the appointment in active government,

1 corporate, or private practice dealing with federal and state or
2 local tax matters, including property taxes, or in the discharge of
3 a judicial or quasi-judicial office.

4 (C) At least 1 member shall be a certified assessor holding
5 the highest level of certification granted by the state assessors
6 board. **TAX COMMISSION.**

7 (D) At least 1 member shall be a professional real estate
8 appraiser holding a recognized certification indicating competence
9 in the valuation of complex income producing and residential
10 property of the type subject to property taxation, with a
11 certification having required a review of sample appraisals and 5
12 years of experience as an appraiser.

13 (E) At least 1 member shall be a certified public accountant
14 with 5 years of experience in state or local tax matters.

15 (F) Appointees who are not attorneys, certified assessors,
16 professional real estate appraisers, or certified public
17 accountants shall have at least 5 years of experience in state or
18 local tax matters.

19 (2) Each member shall take and subscribe to the constitutional
20 oath of office before entering on the discharge of his or her
21 duties.

22 (3) Each member shall ~~devote his or her entire time to, and~~
23 personally perform the duties of ~~his or her office, and shall not~~
24 ~~engage in other business or professional activity for~~
25 ~~remuneration.~~ **INCLUDING, BUT NOT LIMITED TO, THE MAINTENANCE OF HIS**
26 **OR HER DOCKET AS ASSIGNED AND DIRECTED BY THE CHAIRPERSON AND IN**
27 **ACCORDANCE WITH RULES PRESCRIBED UNDER SECTION 32. EXCEPT AS**

1 OTHERWISE PROVIDED IN THIS SUBSECTION, A MEMBER SHALL NOT ENGAGE IN
2 ANY OTHER GAINFUL EMPLOYMENT OR BUSINESS OR PROFESSIONAL ACTIVITY
3 FOR REMUNERATION, OR HOLD ANY OTHER OFFICE IN OR ENGAGE IN ANY
4 OTHER PROFITABLE UNDERTAKING WITH ANY GOVERNMENTAL ENTITY OF THIS
5 STATE, ANOTHER STATE, OR THE UNITED STATES. ADDITIONALLY, A MEMBER
6 SHALL NOT ACT AS AN ATTORNEY, REPRESENTATIVE, OR ACCOUNTANT FOR
7 OTHERS IN A MATTER INVOLVING ANY TAX IMPOSED OR LEVIED BY THIS
8 STATE OR ANY OF ITS POLITICAL SUBDIVISIONS. HOWEVER, A MEMBER MAY
9 DO ANY OF THE FOLLOWING:

10 (A) OWN PASSIVE INTERESTS IN BUSINESS ENTITIES.

11 (B) EARN INCOME FROM INCIDENTAL TEACHING OR SCHOLARLY
12 ACTIVITIES.

13 (C) RECEIVE COMPENSATION FOR EXTRAJUDICIAL ACTIVITIES
14 DESCRIBED IN CANON 4 OF THE MICHIGAN CODE OF JUDICIAL CONDUCT IF
15 THE RECEIPT OF THAT COMPENSATION DOES NOT CREATE AN APPEARANCE OF
16 IMPROPRIETY, INCLUDING, BUT NOT LIMITED TO, AN APPEARANCE THAT THE
17 SOURCE OF THAT COMPENSATION INFLUENCED THE MEMBER IN THE
18 PERFORMANCE OF HIS OR HER DUTIES.

19 (D) ACT PROFESSIONALLY ON HIS OR HER OWN BEHALF, INCLUDING,
20 BUT NOT LIMITED TO, AS HIS OR HER OWN ATTORNEY OR ACCOUNTANT.

21 (E) PROVIDE PROFESSIONAL SERVICES TO FAMILY MEMBERS,
22 INCLUDING, BUT NOT LIMITED TO, LEGAL, ACCOUNTING, AND TAX SERVICES,
23 SO LONG AS HE OR SHE IS NOT PAID FOR THOSE SERVICES.

24 (4) ~~Each~~BEFORE OCTOBER 1, 2016, EACH member shall receive an
25 annual salary as determined by law. ~~and~~AFTER SEPTEMBER 30, 2016,
26 EACH MEMBER WHO WORKS FOR THE TRIBUNAL FULL TIME, AS DETERMINED BY
27 THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, SHALL RECEIVE

1 AN ANNUAL SALARY NOT LESS THAN THE MAXIMUM SALARY PAID TO AN
2 ADMINISTRATIVE LAW MANAGER OR EQUIVALENT CIVIL SERVICE
3 CLASSIFICATION. EACH MEMBER WHO WORKS FOR THE TRIBUNAL PART TIME,
4 AS DETERMINED BY THE DEPARTMENT OF LICENSING AND REGULATORY
5 AFFAIRS, SHALL RECEIVE AN ANNUAL PRO RATA SALARY PROPORTIONATE TO
6 THE SALARY OF A MEMBER WHO WORKS FULL TIME. IN ADDITION TO HIS OR
7 HER ANNUAL SALARY, EACH MEMBER shall be reimbursed for his or her
8 actual and necessary expenses at the rate determined by the
9 administrative board. AS USED IN THIS SUBSECTION, "ACTUAL AND
10 NECESSARY EXPENSES" INCLUDES, BUT IS NOT LIMITED TO, FEES INCURRED
11 FOR THE RENEWAL OF RELEVANT AND APPROPRIATE PROFESSIONAL LICENSES
12 AND MEMBERSHIPS IN ASSOCIATIONS LOCATED IN THIS STATE.

13 (5) THE GOVERNOR MAY, WITH THE ADVICE AND CONSENT OF THE
14 SENATE, APPOINT NOT MORE THAN 3 MEMBERS OF THE TRIBUNAL PRO TEMPORE
15 IF IT APPEARS TO THE GOVERNOR THAT THE SERVICES OF AN ADDED MEMBER
16 OR MEMBERS ARE ADVISABLE. A PRO TEMPORE MEMBER SHALL BE QUALIFIED
17 FOR MEMBERSHIP UNDER THIS SECTION AND IS SUBJECT TO THE DUTIES AND
18 LIMITATIONS OF A MEMBER OF THE TRIBUNAL UNDER THIS ACT. A PRO
19 TEMPORE MEMBER SHALL BE APPOINTED FOR NOT MORE THAN 12 MONTHS, ON A
20 FULL- OR PART-TIME BASIS, UNLESS REAPPOINTED BY THE GOVERNOR. PRO
21 TEMPORE MEMBERS APPOINTED UNDER THIS SUBSECTION DO NOT COUNT TOWARD
22 THE NUMBER OF MEMBERS APPOINTED UNDER SECTION 21.

23 (6) ON MOTION OF A PARTY TO A PROCEEDING OR A TRIBUNAL MEMBER
24 ASSIGNED TO THE PROCEEDING, OR BY ORDER OF THE CHAIRPERSON, A
25 MEMBER ASSIGNED TO THE PROCEEDING MAY BE DISQUALIFIED FOR ANY
26 REASON LISTED IN MCR 2.003(C)(1). A MOTION FOR DISQUALIFICATION BY
27 A PARTY TO THE PROCEEDING SHALL BE REVIEWED AND EITHER APPROVED OR

1 DENIED BY THE TRIBUNAL MEMBER PRESIDING OVER THE PROCEEDING. IF THE
2 MOTION IS DENIED, THE MOVING PARTY MAY APPEAL TO THE CHAIRPERSON
3 UNLESS THE CHAIRPERSON IS PRESIDING OVER THE PROCEEDING. IF THE
4 CHAIRPERSON IS PRESIDING OVER THE PROCEEDING, AN APPEAL SHALL
5 INSTEAD BE RANDOMLY ASSIGNED TO ANOTHER MEMBER WHO IS QUALIFIED
6 UNDER SECTION 22 AS AN ATTORNEY. DISQUALIFICATION MAY BE WAIVED
7 WITH THE CONSENT OF ALL PARTIES AND SHALL BE IN WRITING OR PLACED
8 ON THE RECORD.

9 Sec. 25. (1) The principal office of the tribunal and its
10 chief clerk shall be in the city of Lansing. ~~and the department~~
11 ~~of administration~~ **IN ADDITION, THE TRIBUNAL MAY OPERATE SUCH**
12 **REGIONAL OFFICES ACROSS THIS STATE AS THE CHAIRPERSON CONSIDERS**
13 **NECESSARY. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**
14 shall furnish suitable accommodations and equipment ~~there~~ **IN THESE**
15 **PRINCIPAL AND REGIONAL OFFICES.**

16 (2) Subject to appropriations, ~~therefor~~, the tribunal shall
17 have ~~such~~ **THE** legal, technical, and secretarial assistance ~~as~~ **THAT**
18 the ~~chairman deems~~ **CHAIRPERSON CONSIDERS** necessary.

19 (3) A clerk or employee of the tribunal shall not provide
20 legal, accounting, or technical assistance relevant to a federal,
21 state, or local tax matter, or to any other matter of which the
22 tribunal may acquire jurisdiction.

23 (4) Salaries and expenses of the tribunal shall be paid as
24 provided by law.

25 Sec. 26. ~~The tribunal may~~ **ONLY FOR PROCEEDINGS BEFORE THE**
26 **RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION CREATED IN SECTION**
27 **61 MAY THE TRIBUNAL** appoint 1 or more hearing officers to hold

1 hearings. ~~Hearings,~~ **THOSE HEARINGS**, except as otherwise provided in
 2 chapter 6, shall be conducted pursuant to chapter 4 of the
 3 administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to
 4 24.287, and the open meetings act, 1976 PA 267, MCL 15.261 to
 5 15.275. Public notice of the time, date, and place of the hearing
 6 shall be given in the manner required by the open meetings act,
 7 1976 PA 267, MCL 15.261 to 15.275. A proposed decision of a hearing
 8 officer or referee shall be considered and decided by 1 or more
 9 members of the tribunal.

10 Sec. 32. The tribunal's powers include, but are not limited
 11 to, all of the following:

12 (a) Affirming, reversing, modifying, or remanding a final
 13 decision, finding, ruling, determination, or order of an agency.

14 (b) Ordering the payment or refund of taxes in a matter over
 15 which it may acquire jurisdiction.

16 (c) Granting other relief or issuing writs, orders, or
 17 directives that it deems necessary or appropriate in the process of
 18 disposition of a matter over which it may acquire jurisdiction.

19 (d) Promulgating rules ~~for the implementation of~~ **TO IMPLEMENT**
 20 this act ~~, including rules for practice and procedure before the~~
 21 ~~tribunal and for mediation as provided in section 47, under~~
 22 **PURSUANT TO** the administrative procedures act of 1969, 1969 PA 306,
 23 MCL 24.201 to 24.328, **-INCLUDING, BUT NOT LIMITED TO, RULES FOR THE**
 24 **FOLLOWING:**

25 (i) **PRACTICE AND PROCEDURE BEFORE THE TRIBUNAL.**

26 (ii) **MEDIATION UNDER SECTION 47.**

27 (iii) **ETHICAL STANDARDS GOVERNING THE CONDUCT OF TRIBUNAL**

1 MEMBERS. A TRIBUNAL MEMBER SHALL COMPLY WITH THESE ETHICAL
 2 STANDARDS, IN ADDITION TO ALL OTHER LAWS, RULES, AND STANDARDS
 3 APPLICABLE TO HIS OR HER CONDUCT PROFESSIONALLY OR OTHERWISE.

4 (iv) INITIAL TRAINING REQUIREMENTS FOR NEWLY APPOINTED
 5 TRIBUNAL MEMBERS.

6 (v) CONTINUING TRAINING REQUIREMENTS FOR ALL TRIBUNAL MEMBERS.

7 (vi) GUIDELINES AND POLICIES GOVERNING DOCKET MAINTENANCE BY
 8 TRIBUNAL MEMBERS, INCLUDING, BUT NOT LIMITED TO, GUIDELINES AND
 9 POLICIES SETTING FORTH THE METHOD BY WHICH THE CHAIRPERSON ASSIGNS
 10 CASES UNDER SECTION 34(1) AND (2). UNLESS THESE GUIDELINES AND
 11 POLICIES PROVIDE OTHERWISE, THE TRIBUNAL SHALL FOLLOW MCR 8.111.

12 (e) Mediating a proceeding before the tribunal.

13 (f) Certifying mediators to facilitate claims in the court of
 14 claims and in the tribunal.

15 Sec. 34. (1) ~~One~~ SUBJECT TO SUBSECTION (2), 1 or more members
 16 of the tribunal may hear and decide proceedings.

17 (2) A PROCEEDING BEFORE THE ENTIRE TRIBUNAL FILED AFTER
 18 DECEMBER 31, 2016 IS SUBJECT TO THE FOLLOWING:

19 (A) THE CHAIRPERSON SHALL ASSIGN AT LEAST 1 TRIBUNAL MEMBER TO
 20 THE PROCEEDING.

21 (B) SUBJECT TO SUBDIVISION (C), THE CHAIRPERSON SHALL ASSIGN 2
 22 ADDITIONAL TRIBUNAL MEMBERS TO THE PROCEEDING SO THAT A PANEL OF 3
 23 WILL HEAR AND DECIDE THE PROCEEDING, IN ANY OF THE FOLLOWING
 24 CIRCUMSTANCES:

25 (i) AT THE DISCRETION OF THE CHAIRPERSON.

26 (ii) AT THE REQUEST OF BOTH PARTIES TO THE PROCEEDING IF THE
 27 REQUEST IS MADE BEFORE A HEARING.

1 (iii) AS OTHERWISE PROVIDED FOR BY TRIBUNAL RULES.

2 (C) A 3-MEMBER PANEL UNDER SUBDIVISION (B) SHALL CONSIST OF
3 ALL OF THE FOLLOWING:

4 (i) ONE TRIBUNAL MEMBER WHO IS QUALIFIED UNDER SECTION 22 AS
5 AN ATTORNEY.

6 (ii) ONE TRIBUNAL MEMBER WHO IS QUALIFIED UNDER SECTION 22 ON
7 A BASIS THAT DOES NOT REQUIRE BEING AN ATTORNEY.

8 (iii) ONE TRIBUNAL MEMBER RANDOMLY CHOSEN BY LOT.

9 (3) ~~(2)~~The tribunal shall sit at places throughout ~~the~~**THIS**
10 state as the tribunal determines. The county board of commissioners
11 for the county in which the tribunal is sitting, except when the
12 tribunal is sitting in the city of Lansing **OR IN A REGIONAL OFFICE**
13 **ESTABLISHED UNDER SECTION 25(1)**, shall provide the tribunal with
14 suitable accommodations and equipment on request of the
15 chairperson.

16 (4) The business ~~which~~**THAT** the tribunal may perform shall be
17 conducted at a public meeting ~~on~~**OF** the tribunal held in compliance
18 with ~~Act No. 267 of the Public Acts of 1976, as amended.~~ **THE OPEN**
19 **MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.** Public notice of
20 the time, date, and place of the meeting shall be given in the
21 manner required by ~~Act No. 267 of the Public Acts of 1976, as~~
22 ~~amended.~~**THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

23 Sec. 35a. (1) ~~The provisions of this~~**THIS** section ~~apply~~
24 **APPLIES** to a proceeding before the tribunal that is commenced after
25 December 31, 2006.

26 (2) A proceeding before the tribunal is original and
27 independent and is considered de novo.

1 (3) Except as otherwise provided in this section or by law,
2 for an assessment dispute as to the valuation or exemption of
3 property, the assessment must be protested before the board of
4 review before the tribunal acquires jurisdiction of the dispute
5 under subsection (6).

6 (4) In the 2007 tax year and each tax year after 2007, all of
7 the following apply:

8 (a) For an assessment dispute as to the valuation or exemption
9 of property classified under section 34c of the general property
10 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,
11 industrial real property, or developmental real property, the
12 assessment may be protested before the board of review or appealed
13 directly to the tribunal without protest before the board of review
14 as provided in subsection (6).

15 (b) For an assessment dispute as to the valuation or exemption
16 of property classified under section 34c of the general property
17 tax act, 1893 PA 206, MCL 211.34c, as commercial personal property,
18 industrial personal property, or utility personal property, the
19 assessment may be protested before the board of review or appealed
20 directly to the tribunal without protest before the board of review
21 as provided in subsection (6), if a statement of assessable
22 property is filed under section 19 of the general property tax act,
23 1893 PA 206, MCL 211.19, prior to the commencement of the board of
24 review for the tax year involved.

25 (c) For an assessment dispute as to the valuation of property
26 that is subject to taxation under 1974 PA 198, MCL 207.551 to
27 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651

1 to 207.668, the enterprise zone act, 1985 PA 224, MCL 125.2101 to
2 125.2123, the technology park development act, 1984 PA 385, MCL
3 207.701 to 207.718, the obsolete property rehabilitation act, 2000
4 PA 146, MCL 125.2781 to 125.2797, the commercial rehabilitation
5 act, 2005 PA 210, MCL 207.841 to 207.856, or 1953 PA 189, MCL
6 211.181 to 211.182, the assessment may be protested before the
7 board of review or appealed directly to the tribunal without
8 protest before the board of review as provided in subsection (6).
9 This subdivision does not apply to property that is subject to the
10 neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to
11 207.786.

12 (5) For a dispute regarding a determination of a claim of
13 exemption of a principal residence or qualified agricultural
14 property for a year in which the July or December board of review
15 has authority to determine a claim of exemption for a principal
16 residence or qualified agricultural property, the claim of
17 exemption shall be presented to either the July or December board
18 of review before the tribunal acquires jurisdiction of the dispute.
19 For a special assessment dispute, the special assessment shall be
20 protested at the hearing held for the purpose of confirming the
21 special assessment roll before the tribunal acquires jurisdiction
22 of the dispute.

23 (6) The jurisdiction of the tribunal in an assessment dispute
24 as to property classified under section 34c of the general property
25 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,
26 industrial real property, developmental real property, commercial
27 personal property, industrial personal property, or utility

1 personal property is invoked by a party in interest, as petitioner,
2 filing a written petition on or before May 31 of the tax year
3 involved. The jurisdiction of the tribunal in an assessment dispute
4 as to property classified under section 34c of the general property
5 tax act, 1893 PA 206, MCL 211.34c, as agricultural real property,
6 residential real property, timber-cutover real property, or
7 agricultural personal property is invoked by a party in interest,
8 as petitioner, filing a written petition on or before July 31 of
9 the tax year involved. ~~In~~**BEFORE OCTOBER 1, 2016, IN** all other
10 matters, the jurisdiction of the tribunal is invoked by a party in
11 interest, as petitioner, filing a written petition within 35 days
12 after the final decision, ruling, or determination. ~~An~~**AFTER**
13 **SEPTEMBER 30, 2016, IN ALL OTHER MATTERS, THE JURISDICTION OF THE**
14 **TRIBUNAL IS INVOKED BY A PARTY IN INTEREST, AS PETITIONER, FILING A**
15 **WRITTEN PETITION WITHIN 90 DAYS AFTER THE FINAL DECISION, RULING,**
16 **OR DETERMINATION. BEFORE OCTOBER 1, 2016, AN** appeal of a contested
17 tax bill shall be made within 60 days after mailing by the
18 assessment district treasurer. ~~and the appeal~~**AFTER SEPTEMBER 30,**
19 **2016, AN APPEAL OF A CONTESTED TAX BILL SHALL BE MADE WITHIN 90**
20 **DAYS AFTER MAILING BY THE ASSESSMENT DISTRICT TREASURER. IN ALL**
21 **CASES, THE APPEAL OF A CONTESTED TAX BILL** is limited solely to
22 correcting arithmetic errors or mistakes and is not a basis of
23 appeal as to disputes of valuation of the property, the property's
24 exempt status, or the property's equalized value resulting from
25 equalization of its assessment by the county board of commissioners
26 or the state tax commission. Service of the petition on the
27 respondent shall be by certified mail. For an assessment dispute,

1 service of the petition shall be mailed to the assessor of that
2 local tax collecting unit if the respondent is the local tax
3 collecting unit. Except for petitions filed under chapter 6, a copy
4 of the petition shall also be sent to the secretary of the school
5 board in the local school district in which the property is located
6 and to the clerk of any county that may be affected.

7 (7) A petition is considered filed on or before the expiration
8 of the time period provided in this section or by law if 1 or more
9 of the following occur:

10 (a) The petition is postmarked by the United States ~~postal~~
11 ~~service~~ **POSTAL SERVICE** on or before the expiration of that time
12 period.

13 (b) The petition is delivered in person on or before the
14 expiration of that time period.

15 (c) The petition is given to a designated delivery service for
16 delivery on or before the expiration of that time period and the
17 petition is delivered by that designated delivery service or, if
18 the petition is not delivered by that designated delivery service,
19 the petitioner establishes that the petition was given to that
20 designated delivery service for delivery on or before the
21 expiration of that time period.

22 (8) A petition required to be filed by a day during which the
23 offices of the tribunal are not open for business shall be filed by
24 the next business day.

25 (9) A petition or answer may be amended at any time by leave
26 of the tribunal and in compliance with its rules. If a tax was paid
27 while the determination of the right to the tax is pending before

1 the tribunal, the taxpayer may amend his or her petition to seek a
2 refund of that tax.

3 (10) A person or legal entity may appear before the tribunal
4 in his or her own behalf or may be represented by an attorney or by
5 any other person.

6 (11) As used in this section, "designated delivery service"
7 means a delivery service provided by a trade or business that is
8 designated by the tribunal for purposes of this subsection. The
9 tribunal shall issue a tribunal notice not later than December 31
10 in each calendar year designating not less than 1 delivery service
11 for the immediately succeeding calendar year. The tribunal may
12 designate a delivery service only if the tribunal determines that
13 the delivery service meets all of the following requirements:

14 (a) Is available to the general public.

15 (b) Is at least as timely and reliable on a regular basis as
16 the United States ~~postal service~~. **POSTAL SERVICE.**

17 (c) Records electronically to a database kept in the regular
18 course of business or marks on the petition the date on which the
19 petition was given to the delivery service for delivery.

20 (d) Any other requirement the tribunal prescribes.

21 Sec. 49. (1) The tribunal by rule shall prescribe filing fees
22 and other fees to be paid in connection with a proceeding before
23 the tribunal. The fees shall be paid to the clerk of the tribunal
24 and by order of the tribunal may be taxed as costs.

25 (2) The residential property and small claims division of the
26 tribunal shall not charge fees or costs on appeals of principal
27 residence property as defined in rules promulgated by the tax

1 tribunal.

2 (3) The Michigan tax tribunal fund is created in the
3 department of ~~labor and economic growth~~ **LICENSING AND REGULATORY**
4 **AFFAIRS** as a separate interest bearing fund. All fees collected
5 pursuant to this act shall be deposited in the Michigan tax
6 tribunal fund. **IN ADDITION, SUBJECT TO APPROPRIATION, BEGINNING IN**
7 **FISCAL YEAR 2017 AND EACH YEAR THEREAFTER, AN AMOUNT SUFFICIENT TO**
8 **MAINTAIN THE OPERATION OF THE TRIBUNAL CONSISTENT WITH THIS ACT**
9 **SHALL BE DEPOSITED IN THE FUND.** The state treasurer shall direct
10 the investment of the Michigan tax tribunal fund. Money in the
11 Michigan tax tribunal fund shall remain in the Michigan tax
12 tribunal fund at the close of the fiscal year and shall not revert
13 to the general fund. Money in the Michigan tax tribunal fund shall
14 be used solely for operation of the tribunal.

15 Sec. 51. (1) A decision and opinion of the tribunal shall be
16 made within a reasonable period, shall be in writing or stated in
17 the record, and shall include a concise statement of facts and
18 conclusions of law, stated separately and, upon order of the
19 tribunal, shall be officially reported and published. **AFTER**
20 **DECEMBER 31, 2016, A DECISION AND OPINION IS NOT TIMELY FOR**
21 **PURPOSES OF THIS SUBSECTION IF, ABSENT GOOD CAUSE, IT IS ISSUED**
22 **MORE THAN 120 DAYS AFTER THE DATE THAT THE LAST BRIEF WAS FILED**
23 **FOLLOWING COMPLETION OF THE HEARING OR, IF BRIEFS WERE NOT FILED**
24 **FOLLOWING COMPLETION OF THE HEARING, THE DATE THAT THE HEARING WAS**
25 **COMPLETED. A TRIBUNAL MEMBER'S REPEATED FAILURE TO ISSUE TIMELY**
26 **DECISIONS MAY BE CONSIDERED FOR PURPOSES OF A REMOVAL DECISION**
27 **UNDER SECTION 21(6).**

1 (2) If the implementation of a decision of the tribunal would
2 have the effect of delaying collection of taxes in a taxing unit
3 due to the time of the year in which the decision is rendered, the
4 tribunal shall not order immediate implementation of the decision
5 without consent of all the taxing units involved, but shall order
6 any required adjustment in rate by the taxing unit or units be made
7 in the following tax year.

8 Sec. 62. (1) The residential property and small claims
9 division created in section 61 has jurisdiction over a proceeding,
10 otherwise cognizable by the tribunal, in which residential property
11 is exclusively involved. ~~Property~~ **BEFORE JANUARY 1, 2017, PROPERTY**
12 other than residential property may be included in a proceeding
13 before the residential property and small claims division if the
14 amount of that property's taxable value or state equalized
15 valuation in dispute is not more than \$100,000.00. ~~The~~ **ALSO BEFORE**
16 **JANUARY 1, 2017, THE** residential property and small claims division
17 ~~also~~ has jurisdiction over a proceeding involving an appeal of any
18 ~~either~~ **NONPROPERTY TAX OR SPECIAL ASSESSMENT** over which the tribunal
19 has jurisdiction if the amount of the tax in dispute is \$20,000.00
20 or less, adjusted annually by the inflation rate. **AFTER DECEMBER**
21 **31, 2016, PROPERTY OTHER THAN RESIDENTIAL PROPERTY MAY BE INCLUDED**
22 **IN A PROCEEDING BEFORE THE RESIDENTIAL PROPERTY AND SMALL CLAIMS**
23 **DIVISION IF THE AMOUNT OF THAT PROPERTY'S TAXABLE VALUE OR STATE**
24 **EQUALIZED VALUATION IN DISPUTE IS NOT MORE THAN \$250,000.00. ALSO**
25 **AFTER DECEMBER 31, 2016, THE RESIDENTIAL PROPERTY AND SMALL CLAIMS**
26 **DIVISION HAS JURISDICTION OVER A PROCEEDING INVOLVING AN APPEAL OF**
27 **ANY NONPROPERTY TAX OR SPECIAL ASSESSMENT OVER WHICH THE TRIBUNAL**

1 HAS JURISDICTION IF THE AMOUNT OF THE TAX IN DISPUTE IS \$100,000.00
2 OR LESS, ADJUSTED ANNUALLY BY THE INFLATION RATE. As used in this
3 subsection, "inflation rate" means the ratio of the general price
4 level for the state fiscal year ending in the calendar year
5 immediately preceding the current year divided by the general price
6 level for the state fiscal year ending in the calendar year before
7 the year immediately preceding the current year.

8 (2) A person or legal entity entitled to proceed under section
9 31, and whose proceeding meets the jurisdictional requirements of
10 subsection (1), may elect to proceed before either the residential
11 property and small claims division or the entire tribunal. A formal
12 record of residential property and small claims division
13 proceedings is not required. Within ~~20~~21 days after a hearing
14 officer or referee issues a proposed order, a party may file
15 exceptions to the proposed order. The tribunal shall review the
16 exceptions to determine if the proposed order shall be adopted as a
17 final order. Upon a showing of good cause or at the tribunal's
18 discretion, the tribunal may modify the proposed order and issue a
19 final order or hold a rehearing by a tribunal member. A rehearing
20 is not limited to the evidence presented before the hearing officer
21 or referee.

22 (3) Except as otherwise provided in this subsection, the
23 residential property and small claims division shall meet in the
24 county in which the property in question is located or in a county
25 contiguous to the county in which the property in question is
26 located. A petitioner-appellant shall not be required to travel
27 more than 100 miles from the location of the property in question

1 to the hearing site, except that a rehearing by a tribunal member
2 shall be at a site determined by the tribunal. By leave of the
3 tribunal and with the mutual consent of all parties, a residential
4 property and small claims division proceeding may take place at a
5 location mutually agreed upon by all parties or may take place by
6 the use of amplified telephonic or video conferencing equipment.

7 (4) The tribunal shall make a short form for the simplified
8 filing of residential property and small claims appeals.

9 (5) In a proceeding before the residential property and small
10 claims division for property other than residential property, if
11 the amount of taxable value or state equalized valuation in dispute
12 is greater than \$20,000.00, or in nonproperty matters if the amount
13 in dispute is greater than \$1,000.00, the filing fee is the amount
14 that would have been paid if the proceeding was brought before the
15 entire tribunal and not the residential property and small claims
16 division.

17 (6) As used in this chapter, "residential property" means any
18 of the following:

19 (a) Real property exempt under section 7cc of the general
20 property tax act, 1893 PA 206, MCL 211.7cc.

21 (b) Real property classified as residential real property
22 under section 34c of the general property tax act, 1893 PA 206, MCL
23 211.34c.

24 (c) Real property with less than 4 rental units.

25 (d) Real property classified as agricultural real property
26 under section 34c of the general property tax act, 1893 PA 206, MCL
27 211.34c.

1 Enacting section 1. Section 23 of the tax tribunal act, 1973
2 PA 186, MCL 205.723, is repealed.

3 Enacting section 2. This amendatory act takes effect October
4 1, 2016.