AGREEMENT FOR ASSESSMENT AND COLLECTION OF TAXES

Act 160 of 1972

AN ACT to allow units and subdivisions of government to make agreements; and to provide for costs of administration of agreements.

History: 1972, Act 160, Eff. Mar. 30, 1973

The People of the State of Michigan enact:

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211.731 Agreement for assessment and collection of taxes; administration; definitions.

Sec. 1.

(1) For the purpose of reducing duplication of effort and to provide for more effective tax administration, a township, village, city, or county may enter into an agreement with another township, village, city, or county of this state for the assessment and collection of a tax levied by such jurisdictions. The agreement may provide for joint administration or for administration by 1 township, village, city, or county on behalf of 1 or more townships, villages, cities, or counties that are parties to the agreement and shall provide for the allocation of the cost of the administration among the parties.

(2) A city, township, or village may enter into an agreement with a county treasurer of a county in which the city, village, or township is located for the county treasurer to administer on behalf of the city, village, or township some or all of the tax collection functions of the city, village, or township and its officers. Before taking effect, the agreement shall be approved by the governing body of the city, township, or village and by the board of county commissioners for the county. An agreement under this subsection shall provide for all of the following:

(a) A description of the tax collection functions to be administered by the county treasurer.

(b) The effective date and term of operation of the agreement.

(c) The employer of personnel and staff needed for administration of the tax collection functions by the county treasurer under the agreement.

(d) That funds of the city, village, or township will remain funds of the city, village, or township while the county treasurer administers tax collection functions on behalf of the city, village, or township and its officers.

(e) The manner in which any property, facilities, equipment, or data of the city, village, or township required to execute the agreement will be made available to and used by the county treasurer.

(f) Payment for services provided under the agreement, including, but not limited to, providing for retention by the county treasurer of local property tax administration fees collected by the county treasurer.

(g) Other legal, financial, and administrative arrangements necessary to facilitate and effectuate the agreement.

(3) A county treasurer administering tax collection functions under an agreement under subsection (2) and an employee, appointee, or agent of the county treasurer shall not be deemed to hold a public office of a city, village, or township while administering tax collection functions for the city, village, or township.

(4) Before taking effect, an agreement under subsection (2) shall be filed with the county clerk and the state treasurer.

(5) An agreement under subsection (2) is not required to comply with the provisions of the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, or 1967 (Ex Sess) PA 8, MCL 124.531 to 124.536.

(6) As used in this section:

(a) "Collection functions" means the powers, duties, rights, obligations, functions, and responsibilities administered by a city, village, or township as a tax collecting unit relating to a tax after the certification of the tax roll and before the tax is returned as delinquent, including, but not limited to, billing, adjustment, collection, return, disbursement, reconciliation, and settlement.

(b) "Tax" includes a tax collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, or the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, a specific tax authorized under the laws of this state and levied on real or personal property, a special assessment authorized under the laws of this state and assessed on real or personal property, and associated penalties, fees, interest, and charges authorized under the laws of this state.

History: 1972, Act 160, Eff. Mar. 30, 1973 ;-- Am. 2014, Act 568, Imd. Eff. Jan. 15, 2015

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