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SFA**BILL ANALYSIS**

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Senate Bill 1320 (Substitute S-4 as reported)
Sponsor: Senator Gary Peters
Committee: Finance

CONTENT

The bill would amend the Tax Tribunal Act to provide that certain petitions regarding property tax assessment disputes, and appeals of Department of Treasury actions, would have to be sent to the Department of Management and Budget (DMB) or the Department of Treasury, respectively. Further, the bill would revise current provisions regarding the mailing of petitions to various local officials; and prescribe requirements for mailing petitions appealing special assessments. (None of the bill's provisions would apply to petitions filed in the Residential Property and Small Claims Division of the Tax Tribunal.)

Under the Act, the jurisdiction of the Tax Tribunal is invoked in an assessment dispute between a taxpayer and a taxing unit when a party in interest files a petition. The bill would require that a copy of the petition be sent by first-class mail to the DMB for each tax year beginning with the 2001 tax year. By September 1 each year, the DMB would have to report to the Senate and House Appropriations Committees the total amount of revenue collected under the State Education Tax Act that was under contention in all appeals filed in the tax year.

A copy of a taxpayer's petition to the Tax Tribunal appealing an assessment, decision, or order of the Department of Treasury would have to be sent by certified mail to the Revenue Commissioner or the appropriate Treasury official who administered the tax being appealed.

The bill would require that a copy of a petition appealing a special assessment be sent by certified mail to the certified assessor or board of assessors of the local unit responsible for the special assessment, if that assessor or board of assessors were the respondent; to the city clerk, in the case of cities; and to the township supervisor or clerk, in the case of townships.

Currently, in assessment disputes, service of a petition must be mailed to the assessor of the local unit of government, if the local unit is the respondent; a copy of a petition also must be sent to the school board in the district where the property is located, and the clerk of any county that may be affected. The bill specifies, instead, that a copy of a petition appealing a property's State equalized valuation, taxable value, or exempt status would have to be sent by certified mail to the following: the owner of the property or the person responsible for the payment of the property taxes, if that owner or person were the respondent; the certified assessor or board of assessors of the local unit responsible for the assessment, if that assessor or board were the respondent; the city clerk, in the case of cities; and the township supervisor or clerk, in the case of townships. A copy of the petition also would have to be sent by first-class mail to the secretary of the school board in the district where the property was located, and the county equalization director and the clerk of any county that could be affected.

MCL 205.735

Legislative Analyst: G. Towne

FISCAL IMPACT

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

Date Completed: 10-23-00

Fiscal Analyst: J. Runnels

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Analysis available @ <http://www.michiganlegislature.org>

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.