

HOUSE BILL No. 4521

March 17, 2005, Introduced by Rep. Sheltroun and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 3 and 24 (MCL 211.3 and 211.24), section 24 as
amended by 2002 PA 620.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. **(1)** Real property shall be assessed in the ~~township~~
2 ~~or place where~~ **LOCAL TAX COLLECTING UNIT IN WHICH THE REAL**
3 **PROPERTY IS** situated, to the owner if known, and also to the
4 occupant, if any. ~~;~~ ~~if~~

5 **(2) IF** the owner ~~be~~ **IS** not known and there ~~be~~ **IS** an
6 occupant, then ~~to such~~ **THE REAL PROPERTY SHALL BE ASSESSED TO THE**
7 occupant ~~,~~ and either ~~or both~~ **THE OWNER OR THE OCCUPANT** shall
8 be liable for the taxes on ~~said~~ **THAT REAL** property. ~~,~~ ~~and if~~

1 ~~there be no~~

2 (3) IF THERE IS NO KNOWN owner or occupant, ~~known, then~~ THE
3 REAL PROPERTY SHALL BE ASSESSED as unknown AND THE ASSESSOR SHALL
4 GIVE TO EACH OWNER OF CONTIGUOUS REAL PROPERTY, OR TO EACH PERSON
5 LISTED ON THE ASSESSMENT ROLL FOR CONTIGUOUS REAL PROPERTY, NOTICE
6 OF THE ASSESSMENT BY FIRST-CLASS MAIL WHEN THE REAL PROPERTY IS
7 INITIALLY ASSESSED AS UNKNOWN.

8 (4) A trustee, guardian, executor, administrator, assignee, or
9 agent, ~~having~~ IN control or possession of real property, may be
10 treated as the owner FOR ASSESSMENT PURPOSES.

11 (5) The real property ~~which~~ THAT belonged to a person WHO IS
12 deceased ~~,~~ THAT IS not ~~being~~ in THE control of an executor or
13 administrator ~~,~~ may be assessed to ~~his~~ THE DECEDENT'S heirs or
14 devisees jointly, without naming ~~them~~ THE HEIRS OR DEVISEES,
15 until ~~they shall have given~~ THE HEIRS OR DEVISEES GIVE notice of
16 their respective names to the ~~supervisor,~~ ASSESSOR and of the
17 division of the DECEDENT'S estate.

18 Sec. 24. (1) On or before the first Monday in March in each
19 year, the assessor shall make and complete an assessment roll, upon
20 which he or she shall set down all of the following:

21 (a) The name and address of every person liable to be taxed in
22 the local tax collecting unit with a full description of all the
23 real property liable to be taxed. If the name of the owner or
24 occupant of any tract or parcel of real property is known, the
25 assessor shall enter the name and address of the owner or occupant
26 opposite to the description of the property. If unknown, the real
27 property described upon the roll shall be assessed as "owner

1 unknown" AND THE ASSESSOR SHALL GIVE TO EACH OWNER OF CONTIGUOUS
2 REAL PROPERTY, OR TO EACH PERSON LISTED ON THE ASSESSMENT ROLL FOR
3 CONTIGUOUS REAL PROPERTY, NOTICE OF THE ASSESSMENT BY FIRST-CLASS
4 MAIL WHEN THE REAL PROPERTY IS INITIALLY ASSESSED AS UNKNOWN. All
5 contiguous subdivisions of any section that are owned by 1 person,
6 firm, corporation, or other legal entity and all unimproved lots in
7 any block that are contiguous and owned by 1 person, firm,
8 corporation, or other legal entity shall be assessed as 1 parcel,
9 unless demand in writing is made by the owner or occupant to have
10 each subdivision of the section or each lot assessed separately.
11 However, failure to assess contiguous parcels as entireties does
12 not invalidate the assessment as made. Each description shall show
13 as near as possible the number of acres contained in it, as
14 determined by the assessor. It is not necessary for the assessment
15 roll to specify the quantity of land comprised in any town, city,
16 or village lot.

17 (b) The assessor shall estimate, according to his or her best
18 information and judgment, the true cash value and assessed value of
19 every parcel of real property and set the assessed value down
20 opposite the parcel.

21 (c) The assessor shall calculate the tentative taxable value
22 of every parcel of real property and set that value down opposite
23 the parcel.

24 (d) The assessor shall determine the percentage of value of
25 every parcel of real property that is exempt from the tax levied by
26 a local school district for school operating purposes to the extent
27 provided under section 1211 of the revised school code, 1976 PA

1 451, MCL 380.1211, and set that percentage of value down opposite
2 the parcel.

3 (e) The assessor shall determine the date of the last transfer
4 of ownership of every parcel of real property occurring after
5 December 31, 1994 and set that date down opposite the parcel.

6 (f) The assessor shall estimate the true cash value of all the
7 personal property of each person, and set the assessed value and
8 tentative taxable value down opposite the name of the person. In
9 determining the property to be assessed and in estimating the value
10 of that property, the assessor is not bound to follow the
11 statements of any person, but shall exercise his or her best
12 judgment. For taxes levied after December 31, 2003, the assessor
13 shall separately state the assessed value and tentative taxable
14 value of any leasehold improvements.

15 (g) Property assessed to a person other than the owner shall
16 be assessed separately from the owner's property and shall show in
17 what capacity it is assessed to that person, whether as agent,
18 guardian, or otherwise. Two or more persons not being copartners,
19 owning personal property in common, may each be assessed severally
20 for each person's portion. Undivided interests in lands owned by
21 tenants in common, or joint tenants not being copartners, may be
22 assessed to the owners.

23 (2) The state geologist, or his or her duly authorized deputy,
24 shall determine, according to his or her best information and
25 judgment, the true cash value of the metallic mining properties and
26 mineral rights consisting of metallic resources that are either
27 producing, developed, or have a known commercial mineral value,

1 including surface rights and personal property that may be used in
2 the operation or development of the property assessed, or any
3 stockpile of ore or mineral stored on the surface. For the purpose
4 of encouraging the exploration and development of metallic mineral
5 resources, metallic mineral ore newly discovered or proven in the
6 ground and not part of the property of an operating mine shall be
7 exempt from the taxes collected under this act for a maximum period
8 of 10 years or until the time it becomes part of the property of an
9 operating mine or it in itself becomes an operating mine. Metallic
10 mineral ore newly discovered or proven in the ground and part of
11 the property of an operating mine shall be exempt from taxes
12 collected under this act until it, in combination with previously
13 discovered metallic mineral ore of the operating mine, comes into a
14 10-year recovery period of the mine as determined by the average
15 normal annual rate of extraction of the mine.

16 (3) An operating mine shall be defined to be an operating mine
17 as of the date of starting of a shaft, stripping of overburden, or
18 rehabilitation, or an abandoned or idle mine closed for not less
19 than 2 years. Ore shall not ~~enjoy~~ **BE EXEMPT FROM THE COLLECTION**
20 **OF TAXES UNDER THIS ACT FOR** more than 10 ~~years' exemption from~~
21 ~~taxation~~ **YEARS**. This section does not exempt from the **COLLECTION**
22 **OF** taxes ~~collected~~ under this act ore reserves proven as of April
23 1, 1947. It is the intent of this act that mineral properties shall
24 be valued and assessed in the future for ad valorem taxes according
25 to the formula used in the valuation of mineral properties before
26 the effective date of this act. It is the intent of this act that
27 no metallic mineral ore shall be exempt **FROM THE COLLECTION OF**

1 **TAXES UNDER THIS ACT FOR** more than 10 years because of the
2 application of this ~~act~~ **SECTION** and if at any time it becomes
3 evident that such is the case, the state tax commission shall
4 determine the value of ~~this~~ **THE** untaxed ore and place ~~this~~ **THAT**
5 valuation on the proper tax roll. The state geologist shall report
6 his or her determination of the true cash value of the mineral
7 properties to the state tax commission on or before February 10 of
8 each year. The state tax commission shall assess the mineral
9 properties containing 20% or more of natural iron per ton of ore in
10 conformity and uniformity with all other property within the
11 assessing district. The state tax commission shall assess all other
12 metallic mineral properties at the value certified by the state
13 geologist. The state tax commission, as early as is practicable
14 before February 20, shall certify the assessment of the property to
15 the assessor of the township or city in which the property is
16 situated, who shall for the mineral properties and mineral rights
17 that are owned separate from the surface rights on the property
18 assess each to the owner at the valuation certified to him or her.
19 However, an adjustment to the value certified by the state tax
20 commission may be made by the assessor of the township or city to
21 reflect any general adjustment of assessed valuation from the
22 immediately preceding year not included in the state tax commission
23 computation. The assessor shall determine the true cash value of
24 the surface rights and assess the value of the surface rights to
25 the owner. The assessment upon the metallic mining properties and
26 mineral rights may be altered from year to year regardless of
27 whether any previous assessment has been reviewed by the state tax

1 commission. The assessor or the owner of any interest in the
2 property assessed may appeal the assessment and valuation of the
3 property as determined by the board of review to the state tax
4 commission, which shall review the assessment and valuation as
5 provided in section 152.