

Legislative Analysis



DISTRICT LIBRARY DEBT MILLAGE: COLLECT WITH UNALLOCATED COUNTY TAXES

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House Bill 4421

Sponsor: Rep. Steve Bieda

Committee: Intergovernmental, Urban, and Regional Affairs

Complete to 3-13-07

A SUMMARY OF HOUSE BILL 4421 AS INTRODUCED 3-7-07

House Bill 4421 would amend the District Library Financing Act to require that the taxes authorized and levied by district library boards to pay the principal of and interest on bonds be levied and collected with the unallocated county taxes. Currently the law says only that these taxes are to be levied and collected with county taxes.

[Note: According to those knowledgeable about local finances, the bill would allow district library boards to continue to collect bond millage taxes on the winter tax bill. Often district library millage tax collections are collected by township governments. District library boards reportedly have recently been informed by bond counsel that they must shift their bond millage tax collections from the winter tax bill to the summer tax bill. This is related to the movement of county property taxes from the winter to the summer tax roll. As noted earlier, this legislation would allow the district library boards to continue collecting their bond millage taxes on the winter tax bill. It also would allow townships to continue receiving \$2.50 for each parcel of property to collect the summer tax; they can only collect this amount when the summer tax roll contains nothing other than county taxes, village taxes, and the State Education Tax.]

MCL 397.288

FISCAL IMPACT:

The bill should have no fiscal impact on state and local government.

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