

HOUSE BILL No. 5891

February 24, 2010, Introduced by Rep. Huckleberry and referred to the Committee on Intergovernmental and Regional Affairs.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 50.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 50. (1) A LOCAL TAX COLLECTING UNIT WITH A POPULATION OF
2 LESS THAN 4,000 AS DETERMINED BY THE MOST RECENT FEDERAL DECENNIAL
3 CENSUS SHALL OBTAIN AN AUDIT OF ITS PROPERTY TAX COLLECTION
4 RECORDS, PROPERTY TAX COLLECTION ACCOUNTS, AND PROPERTY TAX
5 COLLECTION PROCEDURES NOT LESS FREQUENTLY THAN BIENNIALY. HOWEVER,
6 IF ANY AUDIT UNDER THIS SUBSECTION DISCLOSES A MATERIAL DEVIATION
7 BY THE LOCAL TAX COLLECTING UNIT FROM GENERALLY ACCEPTED ACCOUNTING
8 PRINCIPLES OR FROM APPLICABLE RULES AND REGULATIONS ISSUED BY THE
9 STATE TAX COMMISSION OR THE DEPARTMENT OF TREASURY OR DISCLOSES ANY

1 FISCAL IRREGULARITY, DEFALCATION, MISFEASANCE, NONFEASANCE, OR
2 MALFEASANCE, THE DEPARTMENT OF TREASURY MAY REQUIRE AN AUDIT TO BE
3 CONDUCTED IN THE NEXT YEAR.

4 (2) A LOCAL TAX COLLECTING UNIT WITH A POPULATION OF 4,000 OR
5 MORE AS DETERMINED BY THE MOST RECENT FEDERAL DECENNIAL CENSUS
6 SHALL OBTAIN AN ANNUAL AUDIT OF ITS PROPERTY TAX COLLECTION
7 RECORDS, PROPERTY TAX COLLECTION ACCOUNTS, AND PROPERTY TAX
8 COLLECTION PROCEDURES.

9 (3) A LOCAL TAX COLLECTING UNIT MAY RETAIN A CERTIFIED PUBLIC
10 ACCOUNTANT TO PERFORM THE AUDITS REQUIRED UNDER THIS SECTION. IF
11 ANY LOCAL TAX COLLECTING UNIT FAILS TO CONDUCT AN AUDIT REQUIRED
12 UNDER THIS SECTION, THE DEPARTMENT OF TREASURY SHALL EITHER CONDUCT
13 THE AUDIT OR APPOINT A CERTIFIED PUBLIC ACCOUNTANT TO CONDUCT THE
14 AUDIT.

15 (4) THE ENTIRE COST OF ANY AUDIT CONDUCTED UNDER THIS SECTION
16 IS THE RESPONSIBILITY OF THE LOCAL TAX COLLECTING UNIT.