

HOUSE BILL No. 6077

December 3, 2014, Introduced by Rep. Irwin and referred to the Committee on Tax Policy.

A bill to amend 1986 PA 196, entitled
"Public transportation authority act,"
by amending section 18 (MCL 124.468), as amended by 2006 PA 175.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 18. (1) A public authority formed under this act may levy
2 a tax on all of the taxable property within the limits of the
3 public authority for public transportation purposes as authorized
4 by this act.

5 (2) The tax authorized in subsection (1) shall not exceed 5
6 mills of the state equalized valuation on each dollar of assessed
7 valuation of taxable property within the limits of the applicable
8 public authority.

9 (3) The tax authorized under subsection (1) shall not be
10 levied except upon the approval of a majority of the registered

1 electors residing in the public authority affected and qualified to
2 vote and voting on the tax at a general or special election. The
3 election may be called by resolution of the board of the public
4 authority. The recording officer of the public authority shall file
5 a copy of the resolution of the board calling the election with the
6 clerk of each affected county, city, or township not less than 60
7 days before the date of the election. The resolution calling the
8 election shall contain a statement of the proposition to be
9 submitted to the electors. Each county, city, and township clerk
10 and all other county, city, and township officials shall undertake
11 those steps to properly submit the proposition to the electors of
12 the county, city, and township at the election specified in the
13 resolutions of the public authority. The election shall be
14 conducted and canvassed in accordance with the Michigan election
15 law, 1954 PA 116, MCL 168.1 to 168.992, except that if the public
16 authority is located in more than 1 county, the election shall be
17 canvassed by the state board of canvassers. The results of the
18 election shall be certified to the board of the public authority
19 promptly after the date of the election. Not more than 1 election
20 may be held in a public authority in a calendar year for approval
21 of the tax authorized under subsection (1). If the election is a
22 special election, the public authority in which the election is
23 held shall pay its share of the costs of the election.

24 (4) Except as otherwise provided in this subsection, the taxes
25 authorized by this section may be levied at a rate and for a period
26 of not more than 5–10 years as determined by the public authority
27 in the resolution calling the election and as set forth in the

1 proposition submitted to the electors. Taxes may be levied at a
2 rate and for a period of not more than 25 years as determined by
3 the public authority in the resolution calling the election and as
4 set forth in the proposition submitted to the electors if the
5 public authority seeking the levy is seeking the levy for public
6 transit services that include a fixed guideway project authorized
7 under 49 USC 5309.

8 (5) The tax rate authorized by this section shall be levied
9 and collected as are all ad valorem property taxes in the state and
10 the recording officer of the public authority shall at the
11 appropriate times certify to the proper tax assessing or collecting
12 officers of each tax collecting county, city, and township the
13 amount of taxes to be levied and collected each year by each
14 county, city, and township. Consistent with subsection (6), the
15 board of the public authority shall determine on which tax roll, if
16 there be more than 1, of each county, city, or township that the
17 taxes authorized by this section shall be collected. Each tax
18 assessing and collecting officer and each county treasurer shall
19 levy and collect the taxes certified by the public authority and
20 pay those taxes to the public authority by the time provided in
21 section 43 of the general property tax act, 1893 PA 206, MCL
22 211.43. The tax rate authorized by this section may be first levied
23 by the public authority as a part of the first tax roll of the
24 appropriate counties, cities, and townships occurring after the
25 election described in subsection (3). The tax may be levied and
26 collected on the July or December tax roll next following the date
27 of election, if the tax is certified to the proper tax assessing

1 officials not later than May 15 or September 15, respectively, of
2 the year in which the election is held.

3 (6) A public authority ~~which~~**THAT** is authorized to impose a
4 July property tax levy, ~~and~~ if it determines to do so, ~~it~~ shall
5 negotiate agreements with the appropriate cities and townships for
6 the collection of that levy. If a city or township and the public
7 authority fail to reach an agreement for the collection by the city
8 or township of the July property tax levy of the public authority,
9 the public authority then may negotiate, until April 1, a proposed
10 agreement with the county treasurer to collect its July property
11 tax levy against property located in that city or township. If the
12 county treasurer and the public authority fail to reach an
13 agreement for the collection by the county of the July property tax
14 levy of the public authority, the July property tax levy shall be
15 collected with the December property tax levy. Any agreement
16 negotiated under this subsection shall guarantee the collecting
17 unit its reasonable expenses. ~~The provisions of this~~**THIS**
18 subsection ~~shall~~**DOES** not apply to a city or township ~~which~~**THAT** is
19 levying a July property tax.

20 (7) If, ~~pursuant to~~**UNDER** subsection (6), the public authority
21 has reached a proposed agreement with a county treasurer on the
22 collection of its July property tax levy against property located
23 in a city or township with which an agreement to collect ~~this~~**THE**
24 levy could not be made ~~pursuant to~~**UNDER** subsection (6), the public
25 authority shall notify by April 15 that city or township of ~~the~~
26 ~~terms of~~ that fact and the city or township shall have 15 days in
27 which to exercise an option to collect the public authority's July

1 property tax levy.

2 (8) Collection of all or part of a public authority's property
3 tax levy by a treasurer ~~pursuant to~~ **UNDER** subsection (6) or (7)
4 shall comply with all of the following:

5 (a) Collection shall be either 1/2 or the total of the
6 property tax levy against the properties, as specified for that
7 year in the resolution of the public authority.

8 (b) The amount the public authority has agreed to pay as
9 reasonable collection expenses shall be stated in writing and
10 reported to the state treasurer.

11 (c) Taxes authorized to be collected shall become a lien
12 against the property on which assessed, and due from the owner of
13 that property, on July 1.

14 (d) Taxes shall be collected on or before September 14 and all
15 taxes and interest imposed ~~pursuant to~~ **UNDER** subdivision (f) unpaid
16 before March 1 shall be returned as delinquent on March 1. Taxes
17 delinquent under this subdivision shall be collected ~~pursuant to~~
18 **UNDER** the general property tax act, 1893 PA 206, MCL 211.1 to
19 ~~211.157-211.155~~.

20 (e) Interest shall be added to taxes collected after September
21 14 at that rate imposed by section 59 of the general property tax
22 act, 1893 PA 206, MCL 211.59, on delinquent property tax levies
23 ~~which~~ **THAT** became a lien in the same year.

24 (f) All or a portion of fees or charges, or both, authorized
25 under section 44 of the general property tax act, 1893 PA 206, MCL
26 211.44, may be imposed on taxes paid before March 1 and shall be
27 retained by the treasurer actually performing the collection of the

1 July property tax levy of the public authority, regardless of
2 whether all or part of these fees or charges, or both, have been
3 waived by the township or city.

4 (9) An agreement for the collection of a July property tax
5 levy of a public authority with a county treasurer shall include a
6 schedule for delivering collections to the public authority.

7 (10) To the extent applicable and consistent with the
8 requirements of this section, the general property tax act, 1893 PA
9 206, MCL 211.1 to ~~211.157~~, shall apply **211.155, APPLIES** to
10 proceedings in relation to the assessment, spreading, and
11 collection of taxes ~~pursuant to~~ **UNDER** this section. Additionally,
12 in relation to the assessment, spreading, and collection of taxes
13 ~~pursuant to~~ **UNDER** this section, the county treasurer shall have
14 powers and duties similar to those prescribed by the general
15 property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~, **211.155**, for
16 township supervisors, township clerks, and township treasurers.
17 However, this section ~~shall~~ **DOES** not ~~be considered to~~ transfer any
18 authority over the assessment of property.

19 (11) If a county treasurer collects the July property tax levy
20 of the public authority, the township or city shall deliver by June
21 1 a certified copy of the assessment roll containing state
22 equalized valuations for each parcel of taxable property in the
23 township or city to the treasurer collecting the July property tax
24 levy of the public authority. The county treasurer receiving this
25 certified copy of the assessment roll shall remit the necessary
26 cost incident to the reproduction of the assessment roll to the
27 township or city.

1 (12) A county treasurer collecting taxes ~~pursuant to~~ **UNDER**
2 this section shall be bonded for tax collection in the same amount
3 and in the same manner as a township treasurer would be for
4 undertaking the duties prescribed by this section.

5 (13) An agreement for the collection of a July property tax
6 levy between a public authority and a county may cover July
7 collections for 2 years. If an agreement covers July collections
8 for 2 years, the notice required by subsection (7) and the option
9 to reconsider provided by subsection (7) ~~shall~~ **DO** not apply for
10 July collections in the second year.

11 (14) If collections are made ~~pursuant to~~ **UNDER** this section by
12 a county treasurer, all payments from a public authority for
13 collecting its July property tax levy and all revenues generated
14 from collection fees shall be deposited, when received or
15 collected, in a fund, which ~~fund~~ shall be used by the county
16 treasurer to pay for the cost of collecting the public authority's
17 July property tax levy.