

**SUBSTITUTE FOR
SENATE BILL NO. 1021**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 2150 and 2153 (MCL 324.2150 and 324.2153),
section 2150 as amended by 1996 PA 585 and section 2153 as amended
by 2004 PA 513.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2150. (1) ~~On~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**
2 **(2), ON** December 1 of each year ~~, there shall be paid~~ **THE**
3 **DEPARTMENT OF TREASURY SHALL PAY** into the treasury of each county
4 in which are located tax reverted, recreation, ~~or forest, lands~~ **OR**
5 **OTHER LANDS** under the control and supervision of the department ~~,~~
6 ~~and any other lands held by the department, except lands purchased~~
7 ~~after January 1, 1933 for natural resource purposes, a tax of~~ **IN**
8 **THE FOLLOWING AMOUNT:**

1 (A) BEFORE DECEMBER 1, 1994, \$2.50 per acre or major portion
2 of an acre. ~~for years before December 1, 1994 and~~

3 (B) AFTER NOVEMBER 30, 1994 AND BEFORE JANUARY 1, 2012, \$2.00
4 per acre or major portion of an acre. ~~for years after November 30,~~
5 ~~1994 on all the lands that belong to this state on December 1 in~~
6 ~~each year.~~

7 (C) AFTER DECEMBER 31, 2011, \$4.00 PER ACRE OR MAJOR PORTION
8 OF AN ACRE ADJUSTED ANNUALLY BY 5% OR THE INFLATION RATE, WHICHEVER
9 IS LESS, WHICH SHALL BE DISTRIBUTED AS PROVIDED IN SUBSECTION (5).
10 AS USED IN THIS SUBDIVISION, "INFLATION RATE" MEANS THAT TERM AS
11 DEFINED IN SECTION 34D OF THE GENERAL PROPERTY TAX ACT, 1893 PA
12 206, MCL 211.34D.

13 (D) IN ADDITION TO THE AMOUNT PROVIDED FOR IN SUBDIVISION (C),
14 AFTER DECEMBER 31, 2011, \$1.00 PER ACRE OR MAJOR PORTION OF AN
15 ACRE, WHICH SHALL BE DISTRIBUTED TO THE COUNTY AND SHALL BE USED
16 FOR ENHANCED RECREATIONAL OPPORTUNITIES AND DISTRIBUTED BY THE
17 COUNTY AS PROVIDED IN THIS SUBDIVISION. FROM THAT AMOUNT, THE
18 COUNTY TREASURER SHALL DISTRIBUTE TO ANY TOWNSHIP LOCATED IN THAT
19 COUNTY THAT HAS A RECREATION PLAN FOR THAT TOWNSHIP 50 CENTS PER
20 ACRE OR MAJOR PORTION OF AN ACRE FOR PROPERTY LOCATED IN THAT
21 TOWNSHIP THAT IS ELIGIBLE FOR PAYMENT UNDER THIS SECTION.

22 (2) THE TAX LEVIED UNDER SUBSECTION (1) DOES NOT APPLY TO THE
23 FOLLOWING:

24 (A) LANDS PURCHASED AFTER JANUARY 1, 1933 FOR NATURAL RESOURCE
25 PURPOSES.

26 (B) STATE LANDS ON WHICH PAYMENTS IN LIEU OF TAXES ARE MADE
27 PURSUANT TO SUBPART 14.

1 (3) The tax ~~imposed~~ **LEVIED** under this section shall be in lieu
2 of all other taxes now levied against the state ~~land~~ **LANDS** under
3 any existing law. ~~State land on which payments in lieu of taxes are~~
4 ~~made pursuant to subpart 14 are exempt from this subpart.~~

5 (4) The department of treasury shall make a detailed statement
6 of account between ~~the~~ **THIS** state and each county in which ~~the~~
7 lands **SUBJECT TO THE TAX LEVIED UNDER THIS SECTION** are situated. ~~γ~~
8 ~~including the descriptions~~ **THE STATEMENT SHALL INCLUDE A**
9 **DESCRIPTION** of the lands. ~~γ~~ ~~and render~~ **THE DEPARTMENT OF TREASURY**
10 **SHALL SUBMIT** the detailed statement of account to the county
11 treasurer of the county. The department of treasury shall cause a
12 warrant to be drawn ~~on the state treasurer~~ payable **TO THE COUNTY**
13 for the amount indicated on the detailed statement of account. ~~to~~
14 ~~be due to the county.~~

15 (5) The county treasurer of each county shall immediately make
16 ~~up~~ a detailed statement of ~~the~~ account between the county and each
17 township and school district **IN THE COUNTY**, ~~prorating~~ **DISTRIBUTING**
18 the amount received by the county **PROPORTIONALLY** according to the
19 number of acres of the lands located in each ~~unit~~ **TOWNSHIP AND**
20 **SCHOOL DISTRICT**. For disbursements made before December 1, 1994,
21 the ~~proration~~ **DISTRIBUTION** shall be 40% to **THE** county general fund,
22 40% to **THE** township general fund, and 20% to **THE** school operating
23 fund. For disbursements made after November 30, 1994, the ~~proration~~
24 **DISTRIBUTION** shall be 50% to the county general fund and 50% to the
25 township general fund. The county treasurer shall immediately issue
26 his or her warrant to each of the units according to the detailed
27 statement of account.

1 (6) ~~(2)~~—The tax on tax reverted, recreation, forest lands, or
2 other lands under the control of the department on which payments
3 are made under this subpart shall be paid from the general fund.

4 **THIS STATE SHALL MAKE PAYMENT IN FULL FOR THE AMOUNT INDICATED IN**
5 **THE STATEMENT OF ACCOUNT PREPARED UNDER SUBSECTION (4).**

6 Sec. 2153. (1) For purposes of this subpart, the state tax
7 commission shall determine the valuation of real property described
8 in section 2152 before February 1 of each year. The state tax
9 commission shall determine the valuation of real property as
10 provided in subsection (7).

11 (2) Not later than February 15 of each year, the state tax
12 commission shall make a report to the assessing districts of this
13 state in which the real property is located, giving a description
14 of the real property in the assessing district held by the state
15 and the valuation as fixed by the state tax commission pursuant to
16 subsection (7).

17 (3) Except as otherwise provided in subsection (7), the state
18 tax commission shall furnish a valuation to the assessing officers
19 that shall be at the same value as other real property is assessed
20 in the assessment district. In fixing the valuation, the state tax
21 commission shall not include improvements made to or placed upon
22 that real property.

23 (4) Upon receipt of the valuation under subsection (3), the
24 assessing officer shall enter upon the assessment rolls of each
25 municipality or assessing district the respective descriptions of
26 the real property and the fixed valuation and, except as otherwise
27 provided in subsection (5), shall assess that real property for the

1 purposes of this subpart at the same rate as other real property in
2 the assessing district. A local taxing unit may by resolution
3 permanently exempt that real property from any tax levied by that
4 local taxing unit. As used in this subsection, "local taxing unit"
5 means a city, village, township, county, school district,
6 intermediate school district, community college, authority, or any
7 other entity authorized by law to levy a tax on real property.

8 (5) Except as limited in subsection (6) and as otherwise
9 provided in subsection (7), the assessing officer may adjust the
10 valuation determined by the state tax commission. If an adjustment
11 to the valuation certified by the state tax commission is made, the
12 assessing officer shall certify all of the following to the
13 department, not later than the first Wednesday after the first
14 Monday in March:

15 (a) The amount and percentage of any general adjustment of
16 assessed valuation of property located in the assessing district
17 other than property described in section 2152.

18 (b) The amount and percentage of any change in the assessment
19 roll.

20 (c) The relation of the total valuation to that reported by
21 the state tax commission.

22 (d) The adjusted total of conservation land.

23 (6) The following shall not be included in an adjustment under
24 subsection (5):

25 (a) Any general adjustment of assessed valuation of property
26 located in the assessing district.

27 ~~(b) Assessments for special improvements.~~

1 ~~—— (c) Any millage in excess of the millage rate levied in 2004.~~

2 (B) ~~(d)~~ The tax levied under the state education tax act, 1993
3 PA 331, MCL 211.901 to 211.906.

4 (7) ~~Property~~ **BEFORE 2012, PROPERTY** valuations shall be
5 established as follows:

6 (a) For property valuations established under this subpart in
7 2004, the 2004 valuation shall be the valuation of the property in
8 2004 through 2008.

9 (b) In 2009 and each year after 2009, the valuation of
10 property shall not increase each year by more than the increase in
11 the immediately preceding year in the general price level or 5%,
12 whichever is less. As used in this subdivision, "general price
13 level" means that term as defined in section 33 of article IX of
14 the state constitution of 1963.

15 (c) If property is acquired after 2004, the initial property
16 valuation determined under this section shall be the valuation for
17 each subsequent year until the next adjustment under subdivision
18 (b) occurs.

19 (8) **BEGINNING IN 2012, PROPERTY VALUATIONS SHALL BE THE**
20 **GREATER OF THE FOLLOWING:**

21 (A) **THE VALUE OF THE PROPERTY CALCULATED UNDER SUBSECTION (7).**

22 (B) **THE TAXABLE VALUE OF THE PROPERTY CALCULATED UNDER SECTION**
23 **27A OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.27A.**