

**SUBSTITUTE FOR  
HOUSE BILL NO. 4412**

A bill to amend 1973 PA 186, entitled  
"Tax tribunal act,"  
by amending sections 3, 21, 22, 25, 26, 32, 34, 35a, 49, 51, and 62  
(MCL 205.703, 205.721, 205.722, 205.725, 205.726, 205.732, 205.734,  
205.735a, 205.749, 205.751, and 205.762), sections 3, 32, and 35a  
as amended by 2008 PA 125, section 22 as amended by 2008 PA 127,  
sections 26 and 49 as amended by 2008 PA 126, section 34 as amended  
by 1980 PA 437, and section 62 as amended by 2008 PA 128; and to  
repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**1**       Sec. 3. As used in this act:

**2**       (a) "Agency" means a board, official, or administrative agency  
**3**       empowered to make a decision, finding, ruling, assessment,  
**4**       determination, or order that is subject to review under the

1 jurisdiction of the tribunal or that has collected a tax for which  
2 a refund is claimed.

3 (b) "Chairperson" means the chairperson of the tribunal.

4 (C) "ENTIRE TRIBUNAL" MEANS THE HEARING DIVISION OF THE  
5 TRIBUNAL OTHER THAN THE RESIDENTIAL PROPERTY AND SMALL CLAIMS  
6 DIVISION CREATED IN SECTION 61.

7 (D) ~~(e)~~—"Mediation" means a voluntary process in which a  
8 mediator facilitates communication between parties, assists in  
9 identifying issues, and helps explore solutions to promote a  
10 mutually acceptable settlement.

11 (E) ~~(d)~~—"Mediator" means a neutral third party who is  
12 certified by the tribunal under section 47 as a mediator in a  
13 proceeding before the tribunal or as a facilitator in the court of  
14 claims, and who is agreed to by the parties.

15 (F) ~~(e)~~—"Proceeding" means an appeal taken under this act.

16 (G) ~~(f)~~—"Property tax laws" does not include the drain code of  
17 1956, 1956 PA 40, MCL 280.1 to 280.630.

18 (H) ~~(g)~~—"Tribunal" means the tax tribunal created under  
19 section 21.

20 Sec. 21. (1) The tax tribunal is created and is a quasi-  
21 judicial agency which, for administrative purposes only, is in the  
22 department of ~~treasury~~. **LICENSING AND REGULATORY AFFAIRS.**

23 (2) The tribunal ~~consists~~ **SHALL CONSIST** of 7 members, **EACH**  
24 appointed by the governor **AS A FULL- OR PART-TIME MEMBER**, with the  
25 advice and consent of the senate, for ~~terms~~ **A TERM** of 4 years. The  
26 ~~2 additional members first appointed by this amendatory act shall~~  
27 ~~first serve for 3 years.~~ **WHEN MAKING AN APPOINTMENT, THE GOVERNOR**

1 SHALL CONSIDER A LIST OF QUALIFIED CANDIDATES SOLICITED FROM AT  
2 LEAST 1 APPROPRIATE PROFESSIONAL ASSOCIATION LOCATED AND PRIMARILY  
3 OPERATING IN THIS STATE THAT IS ABLE TO IDENTIFY CANDIDATES  
4 QUALIFIED FOR THE VACANCY BEING FILLED.

5 (3) SUBJECT TO SUBSECTION (6), THE FULL- OR PART-TIME STATUS  
6 OF A MEMBER, INCLUDING ANY HOURLY BASIS FOR THAT STATUS, SHALL NOT  
7 BE DIMINISHED DURING THE LENGTH OF HIS OR HER TERM WITHOUT HIS OR  
8 HER CONSENT.

9 (4) A member may be reappointed and a vacancy shall be filled  
10 for an unexpired term in the same manner as the appointment is made  
11 for a full term.

12 (5) THE GOVERNOR SHALL DESIGNATE A MEMBER AS CHAIRPERSON, WHO  
13 SHALL ASSIGN MATTERS, APPORTION BUSINESS OF THE TRIBUNAL, AND  
14 PERFORM OTHER DUTIES PRESCRIBED BY LAW. THE CHAIRPERSON SHALL SERVE  
15 IN THAT CAPACITY AT THE PLEASURE OF THE GOVERNOR.

16 (6) THE GOVERNOR MAY REMOVE A MEMBER, AFTER NOTICE AND AN  
17 OPPORTUNITY TO BE HEARD, FOR FAILURE TO SUBSTANTIALLY PERFORM HIS  
18 OR HER DUTIES UNDER THIS ACT, MALFEASANCE, MISFEASANCE, OR  
19 NONFEASANCE IN OFFICE, OR OTHER GOOD CAUSE.

20 (7) MEMBERS SHALL RECEIVE TRAINING ON MATTERS RELEVANT TO THE  
21 WORK OF THE TRIBUNAL, INCLUDING, BUT NOT LIMITED TO, PROPER  
22 COURTROOM PROCEDURES, STATE AND LOCAL TAX ISSUES, ACCEPTED  
23 APPRAISAL PRACTICES, AND PROPER ASSESSING PRACTICES.

24 Sec. 22. (1) ALL OF THE FOLLOWING APPLY TO TRIBUNAL  
25 MEMBERSHIP:

26 (A) ~~(1)~~—The members of the tribunal shall be citizens of the  
27 United States and residents of this state.

(B) At least 2 members shall be attorneys admitted to practice in this state who have been engaged for at least 5 years immediately preceding the appointment in active government, corporate, or private practice dealing with federal and state or local tax matters, including property taxes, or in the discharge of a judicial or quasi-judicial office.

(C) At least 1 member shall be a certified assessor holding the highest level of certification granted by the state assessors board. **TAX COMMISSION.**

(D) At least 1 member shall be a professional real estate appraiser holding a recognized certification indicating competence in the valuation of complex income producing and residential property of the type subject to property taxation, with a certification having required a review of sample appraisals and 5 years of experience as an appraiser.

(E) At least 1 member shall be a certified public accountant with 5 years of experience in state or local tax matters.

(F) Appointees who are not attorneys, certified assessors, professional real estate appraisers, or certified public accountants shall have at least 5 years of experience in state or local tax matters.

(2) Each member shall take and subscribe to the constitutional oath of office before entering on the discharge of his or her duties.

(3) Each member shall ~~devote his or her entire time to, and personally perform the duties of, his or her office, and shall not engage in other business or professional activity for~~

~~remuneration~~. INCLUDING, BUT NOT LIMITED TO, THE MAINTENANCE OF HIS OR HER DOCKET AS ASSIGNED AND DIRECTED BY THE CHAIRPERSON AND IN ACCORDANCE WITH RULES PRESCRIBED UNDER SECTION 32. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, A MEMBER SHALL NOT ENGAGE IN ANY OTHER GAINFUL EMPLOYMENT OR BUSINESS OR PROFESSIONAL ACTIVITY FOR REMUNERATION, OR HOLD ANY OTHER OFFICE IN OR ENGAGE IN ANY OTHER PROFITABLE UNDERTAKING WITH ANY GOVERNMENTAL ENTITY OF THIS STATE, ANOTHER STATE, OR THE UNITED STATES. ADDITIONALLY, A MEMBER SHALL NOT ACT AS AN ATTORNEY, REPRESENTATIVE, OR ACCOUNTANT FOR OTHERS IN A MATTER INVOLVING ANY TAX IMPOSED OR LEVIED BY THIS STATE OR ANY OF ITS POLITICAL SUBDIVISIONS. HOWEVER, A MEMBER MAY DO ANY OF THE FOLLOWING:

(A) OWN PASSIVE INTERESTS IN BUSINESS ENTITIES.

(B) EARN INCOME FROM INCIDENTAL TEACHING OR SCHOLARLY ACTIVITIES.

(C) RECEIVE COMPENSATION FOR EXTRAJUDICIAL ACTIVITIES DESCRIBED IN CANON 4 OF THE MICHIGAN CODE OF JUDICIAL CONDUCT IF THE RECEIPT OF THAT COMPENSATION DOES NOT CREATE AN APPEARANCE OF IMPROPRIETY, INCLUDING, BUT NOT LIMITED TO, AN APPEARANCE THAT THE SOURCE OF THAT COMPENSATION INFLUENCED THE MEMBER IN THE PERFORMANCE OF HIS OR HER DUTIES.

(D) ACT PROFESSIONALLY ON HIS OR HER OWN BEHALF, INCLUDING, BUT NOT LIMITED TO, AS HIS OR HER OWN ATTORNEY OR ACCOUNTANT.

(E) PROVIDE PROFESSIONAL SERVICES TO FAMILY MEMBERS, INCLUDING, BUT NOT LIMITED TO, LEGAL, ACCOUNTING, AND TAX SERVICES, SO LONG AS HE OR SHE IS NOT PAID FOR THOSE SERVICES.

(4) ~~Each~~ BEFORE OCTOBER 1, 2017, EACH member shall receive an

1 annual salary as determined by law. ~~and~~ AFTER SEPTEMBER 30, 2017,  
2 EACH MEMBER WHO WORKS FOR THE TRIBUNAL FULL TIME, AS DETERMINED BY  
3 THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, SHALL RECEIVE  
4 AN ANNUAL SALARY NOT LESS THAN THE MAXIMUM SALARY PAID TO AN  
5 ADMINISTRATIVE LAW MANAGER OR EQUIVALENT CIVIL SERVICE  
6 CLASSIFICATION. EACH MEMBER WHO WORKS FOR THE TRIBUNAL PART TIME,  
7 AS DETERMINED BY THE DEPARTMENT OF LICENSING AND REGULATORY  
8 AFFAIRS, SHALL RECEIVE AN ANNUAL PRO RATA SALARY PROPORTIONATE TO  
9 THE SALARY OF A MEMBER WHO WORKS FULL TIME. IN ADDITION TO HIS OR  
10 HER ANNUAL SALARY, EACH MEMBER shall be reimbursed for his or her  
11 actual and necessary expenses at the rate determined by the  
12 administrative board. AS USED IN THIS SUBSECTION, "ACTUAL AND  
13 NECESSARY EXPENSES" INCLUDES, BUT IS NOT LIMITED TO, FEES INCURRED  
14 FOR THE RENEWAL OF RELEVANT AND APPROPRIATE PROFESSIONAL LICENSES  
15 AND MEMBERSHIPS IN ASSOCIATIONS LOCATED IN THIS STATE.

16 (5) THE GOVERNOR MAY, WITH THE ADVICE AND CONSENT OF THE  
17 SENATE, APPOINT NOT MORE THAN 3 MEMBERS OF THE TRIBUNAL PRO TEMPORE  
18 IF IT APPEARS TO THE GOVERNOR THAT THE SERVICES OF AN ADDED MEMBER  
19 OR MEMBERS ARE ADVISABLE. A PRO TEMPORE MEMBER SHALL BE QUALIFIED  
20 FOR MEMBERSHIP UNDER THIS SECTION AND IS SUBJECT TO THE DUTIES AND  
21 LIMITATIONS OF A MEMBER OF THE TRIBUNAL UNDER THIS ACT. A PRO  
22 TEMPORE MEMBER SHALL BE APPOINTED FOR NOT MORE THAN 12 MONTHS, ON A  
23 FULL- OR PART-TIME BASIS, UNLESS REAPPOINTED BY THE GOVERNOR. PRO  
24 TEMPORE MEMBERS APPOINTED UNDER THIS SUBSECTION DO NOT COUNT TOWARD  
25 THE NUMBER OF MEMBERS APPOINTED UNDER SECTION 21.

26 (6) ON MOTION OF A PARTY TO A PROCEEDING OR A TRIBUNAL MEMBER  
27 ASSIGNED TO THE PROCEEDING, OR BY ORDER OF THE CHAIRPERSON, A

1 MEMBER ASSIGNED TO THE PROCEEDING MAY BE DISQUALIFIED FOR ANY  
 2 REASON LISTED IN MCR 2.003(C)(1). A MOTION FOR DISQUALIFICATION BY  
 3 A PARTY TO THE PROCEEDING SHALL BE REVIEWED AND EITHER APPROVED OR  
 4 DENIED BY THE TRIBUNAL MEMBER PRESIDING OVER THE PROCEEDING. IF THE  
 5 MOTION IS DENIED, THE MOVING PARTY MAY APPEAL TO THE CHAIRPERSON  
 6 UNLESS THE CHAIRPERSON IS PRESIDING OVER THE PROCEEDING. IF THE  
 7 CHAIRPERSON IS PRESIDING OVER THE PROCEEDING, AN APPEAL SHALL  
 8 INSTEAD BE RANDOMLY ASSIGNED TO ANOTHER MEMBER WHO IS QUALIFIED  
 9 UNDER SECTION 22 AS AN ATTORNEY. A MOTION FOR DISQUALIFICATION BY A  
 10 PARTY TO A PROCEEDING MUST BE FILED NOT LATER THAN 14 DAYS  
 11 IMMEDIATELY SUCCEEDING THE DISCOVERY OF THE GROUNDS FOR  
 12 DISQUALIFICATION. HOWEVER, IF A TRIAL IS SCHEDULED ON A DATE THAT  
 13 IS LESS THAN 15 DAYS AFTER THE DISCOVERY, THE MOTION MUST BE MADE  
 14 AS FAR IN ADVANCE OF THAT TRIAL DATE AS IS REASONABLY POSSIBLE.  
 15 DISQUALIFICATION MAY BE WAIVED WITH THE CONSENT OF ALL PARTIES AND  
 16 SHALL BE IN WRITING OR PLACED ON THE RECORD.

17 Sec. 25. (1) The principal office of the tribunal and its  
 18 chief clerk shall be in the city of Lansing. ~~and the department~~  
 19 ~~of administration~~ **IN ADDITION, THE TRIBUNAL MAY OPERATE SUCH**  
 20 **REGIONAL OFFICES ACROSS THIS STATE AS THE CHAIRPERSON CONSIDERS**  
 21 **NECESSARY. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**  
 22 shall furnish suitable accommodations and equipment ~~there~~. **IN THESE**  
 23 **PRINCIPAL AND REGIONAL OFFICES.**

24 (2) Subject to appropriations, ~~therefor~~, the tribunal shall  
 25 have ~~such~~ **THE** legal, technical, and secretarial assistance as ~~that~~  
 26 the ~~chairman deems~~ **CHAIRPERSON CONSIDERS** necessary.

27 (3) A clerk or employee of the tribunal shall not provide

1 legal, accounting, or technical assistance relevant to a federal,  
2 state, or local tax matter, or to any other matter of which the  
3 tribunal may acquire jurisdiction.

4 (4) Salaries and expenses of the tribunal shall be paid as  
5 provided by law.

6 Sec. 26. ~~The tribunal may~~ **ONLY FOR PROCEEDINGS BEFORE THE**  
7 **RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION CREATED IN SECTION**  
8 **61 MAY THE TRIBUNAL** appoint 1 or more hearing officers to hold  
9 hearings. ~~Hearings,~~ **THOSE HEARINGS**, except as otherwise provided in  
10 chapter 6, shall be conducted pursuant to chapter 4 of the  
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to  
12 24.287, and the open meetings act, 1976 PA 267, MCL 15.261 to  
13 15.275. Public notice of the time, date, and place of the hearing  
14 shall be given in the manner required by the open meetings act,  
15 1976 PA 267, MCL 15.261 to 15.275. A proposed decision of a hearing  
16 officer or referee shall be considered and decided by 1 or more  
17 members of the tribunal.

18 Sec. 32. The tribunal's powers include, but are not limited  
19 to, all of the following:

20 (a) Affirming, reversing, modifying, or remanding a final  
21 decision, finding, ruling, determination, or order of an agency.

22 (b) Ordering the payment or refund of taxes in a matter over  
23 which it may acquire jurisdiction.

24 (c) Granting other relief or issuing writs, orders, or  
25 directives that it deems necessary or appropriate in the process of  
26 disposition of a matter over which it may acquire jurisdiction.

27 (d) Promulgating rules ~~for the implementation of~~ **TO IMPLEMENT**



1 this act ~~, including rules for practice and procedure before the~~  
 2 ~~tribunal and for mediation as provided in section 47, under~~  
 3 **PURSUANT TO** the administrative procedures act of 1969, 1969 PA 306,  
 4 MCL 24.201 to 24.328, ~~,-INCLUDING, BUT NOT LIMITED TO, RULES FOR THE~~  
 5 **FOLLOWING:**

6 (i) **PRACTICE AND PROCEDURE BEFORE THE TRIBUNAL.**

7 (ii) **MEDIATION UNDER SECTION 47.**

8 (iii) **ETHICAL STANDARDS GOVERNING THE CONDUCT OF TRIBUNAL**  
 9 **MEMBERS. A TRIBUNAL MEMBER SHALL COMPLY WITH THESE ETHICAL**  
 10 **STANDARDS, IN ADDITION TO ALL OTHER LAWS, RULES, AND STANDARDS**  
 11 **APPLICABLE TO HIS OR HER CONDUCT PROFESSIONALLY OR OTHERWISE.**

12 (iv) **INITIAL TRAINING REQUIREMENTS FOR NEWLY APPOINTED**  
 13 **TRIBUNAL MEMBERS.**

14 (v) **CONTINUING TRAINING REQUIREMENTS FOR ALL TRIBUNAL MEMBERS.**

15 (vi) **GUIDELINES AND POLICIES GOVERNING DOCKET MAINTENANCE BY**  
 16 **TRIBUNAL MEMBERS, INCLUDING, BUT NOT LIMITED TO, GUIDELINES AND**  
 17 **POLICIES SETTING FORTH THE METHOD BY WHICH THE CHAIRPERSON ASSIGNS**  
 18 **A MEMBER OR PANEL OF MEMBERS TO A PROCEEDING UNDER SECTION 34.**  
 19 **UNLESS THESE GUIDELINES AND POLICIES PROVIDE OTHERWISE, THE**  
 20 **TRIBUNAL SHALL ASSIGN MEMBERS BY LOT.**

21 (e) Mediating a proceeding before the tribunal.

22 (f) Certifying mediators to facilitate claims in the court of  
 23 claims and in the tribunal.

24 Sec. 34. (1) ~~One or more members~~ **PURSUANT TO GUIDELINES AND**  
 25 **POLICIES ESTABLISHED UNDER SECTION 32(D) (vi) , THE CHAIRPERSON SHALL**  
 26 **ASSIGN AT LEAST 1 MEMBER** of the tribunal ~~may~~ **TO** hear and decide  
 27 proceedings.

1           (2) The tribunal shall sit at places throughout ~~the~~ **THIS** state  
 2 as the tribunal determines. The county board of commissioners for  
 3 the county in which the tribunal is sitting, except when the  
 4 tribunal is sitting in the city of Lansing **OR IN A REGIONAL OFFICE**  
 5 **ESTABLISHED UNDER SECTION 25(1)**, shall provide the tribunal with  
 6 suitable accommodations and equipment on request of the  
 7 chairperson.

8           (3) The business ~~which~~ **THAT** the tribunal may perform shall be  
 9 conducted at a public meeting ~~on~~ **OF** the tribunal held in compliance  
 10 with ~~Act No. 267 of the Public Acts of 1976, as amended.~~ **THE OPEN**  
 11 **MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.** Public notice of  
 12 the time, date, and place of the meeting shall be given in the  
 13 manner required by ~~Act No. 267 of the Public Acts of 1976, as~~  
 14 ~~amended.~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

15           Sec. 35a. (1) ~~The provisions of this~~ **THIS** section apply  
 16 **APPLIES** to a proceeding before the tribunal that is commenced after  
 17 December 31, 2006.

18           (2) A proceeding before the tribunal is original and  
 19 independent and is considered de novo.

20           (3) Except as otherwise provided in this section or by law,  
 21 for an assessment dispute as to the valuation or exemption of  
 22 property, the assessment must be protested before the board of  
 23 review before the tribunal acquires jurisdiction of the dispute  
 24 under subsection (6).

25           (4) In the 2007 tax year and each tax year after 2007, all of  
 26 the following apply:

27           (a) For an assessment dispute as to the valuation or exemption

1 of property classified under section 34c of the general property  
2 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
3 industrial real property, or developmental real property, the  
4 assessment may be protested before the board of review or appealed  
5 directly to the tribunal without protest before the board of review  
6 as provided in subsection (6).

7 (b) For an assessment dispute as to the valuation or exemption  
8 of property classified under section 34c of the general property  
9 tax act, 1893 PA 206, MCL 211.34c, as commercial personal property,  
10 industrial personal property, or utility personal property, the  
11 assessment may be protested before the board of review or appealed  
12 directly to the tribunal without protest before the board of review  
13 as provided in subsection (6), if, **IN EITHER CASE**, a statement of  
14 assessable property is filed under section 19 of the general  
15 property tax act, 1893 PA 206, MCL 211.19, prior to the  
16 commencement of the board of review for the tax year involved.

17 (c) For an assessment dispute as to the valuation of property  
18 that is subject to taxation under 1974 PA 198, MCL 207.551 to  
19 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651  
20 to 207.668, the enterprise zone act, 1985 PA 224, MCL 125.2101 to  
21 125.2123, the technology park development act, 1984 PA 385, MCL  
22 207.701 to 207.718, the obsolete property rehabilitation act, 2000  
23 PA 146, MCL 125.2781 to 125.2797, the commercial rehabilitation  
24 act, 2005 PA 210, MCL 207.841 to 207.856, or 1953 PA 189, MCL  
25 211.181 to 211.182, the assessment may be protested before the  
26 board of review or appealed directly to the tribunal without  
27 protest before the board of review as provided in subsection (6).

1 This subdivision does not apply to property that is subject to the  
2 neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to  
3 207.786.

4 (5) For a dispute regarding a determination of a claim of  
5 exemption of a principal residence or qualified agricultural  
6 property for a year in which the July or December board of review  
7 has authority to determine a claim of exemption for a principal  
8 residence or qualified agricultural property, the claim of  
9 exemption shall be presented to either the July or December board  
10 of review before the tribunal acquires jurisdiction of the dispute.  
11 For a special assessment dispute, the special assessment shall be  
12 protested at the hearing held for the purpose of confirming the  
13 special assessment roll before the tribunal acquires jurisdiction  
14 of the dispute.

15 (6) The jurisdiction of the tribunal in an assessment dispute  
16 as to property classified under section 34c of the general property  
17 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
18 industrial real property, developmental real property, commercial  
19 personal property, industrial personal property, or utility  
20 personal property is invoked by a party in interest, as petitioner,  
21 filing a written petition on or before May 31 of the tax year  
22 involved. The jurisdiction of the tribunal in an assessment dispute  
23 as to property classified under section 34c of the general property  
24 tax act, 1893 PA 206, MCL 211.34c, as agricultural real property,  
25 residential real property, timber-cutover real property, or  
26 agricultural personal property is invoked by a party in interest,  
27 as petitioner, filing a written petition on or before July 31 of

1 the tax year involved. In all other matters, the jurisdiction of  
2 the tribunal is invoked by a party in interest, as petitioner,  
3 filing a written petition within 35 days after the final decision,  
4 ruling, or determination **OR, AFTER SEPTEMBER 30, 2017, IF THE FINAL**  
5 **DECISION, RULING, OR DETERMINATION IS ONE FOR WHICH THE TRIBUNAL'S**  
6 **JURISDICTION IS CONCURRENT WITH THE COURT OF CLAIMS, WITHIN 90 DAYS**  
7 **AFTER THE FINAL DECISION, RULING, OR DETERMINATION.** An appeal of a  
8 contested tax bill shall be made within 60 days after mailing by  
9 the assessment district treasurer and the appeal is limited solely  
10 to correcting arithmetic errors or mistakes and is not a basis of  
11 appeal as to disputes of valuation of the property, the property's  
12 exempt status, or the property's equalized value resulting from  
13 equalization of its assessment by the county board of commissioners  
14 or the state tax commission. Service of the petition on the  
15 respondent shall be by certified mail. For an assessment dispute,  
16 service of the petition shall be mailed to the assessor of that  
17 local tax collecting unit if the respondent is the local tax  
18 collecting unit. Except for petitions filed under chapter 6, a copy  
19 of the petition shall also be sent to the secretary of the school  
20 board in the local school district in which the property is located  
21 and to the clerk of any county that may be affected.

22 (7) A petition is considered filed on or before the expiration  
23 of the time period provided in this section or by law if 1 or more  
24 of the following occur:

25 (a) The petition is postmarked by the United States ~~postal~~  
26 ~~service~~ **POSTAL SERVICE** on or before the expiration of that time  
27 period.

1 (b) The petition is delivered in person on or before the  
2 expiration of that time period.

3 (c) The petition is given to a designated delivery service for  
4 delivery on or before the expiration of that time period and the  
5 petition is delivered by that designated delivery service or, if  
6 the petition is not delivered by that designated delivery service,  
7 the petitioner establishes that the petition was given to that  
8 designated delivery service for delivery on or before the  
9 expiration of that time period.

10 (8) A petition required to be filed by a day during which the  
11 offices of the tribunal are not open for business shall be filed by  
12 the next business day.

13 (9) TO BE PROPERLY FILED UNDER THIS SECTION, A PETITION MUST  
14 BE SIGNED BY THE PETITIONER OR THE PETITIONER'S AUTHORIZED  
15 REPRESENTATIVE. BY THAT SIGNATURE, THE SIGNER CERTIFIES ALL OF THE  
16 FOLLOWING:

17 (A) THE SIGNER HAS READ THE PETITION.

18 (B) TO THE BEST OF THE SIGNER'S KNOWLEDGE, INFORMATION, AND  
19 BELIEF, FORMED AFTER REASONABLE INQUIRY, ALL OF THE FOLLOWING:

20 (i) THE PETITION MEETS ALL REQUIREMENTS PRESCRIBED BY THIS ACT  
21 AND BY RULE OF THE TRIBUNAL.

22 (ii) THE PETITION IS GROUNDED IN FACT.

23 (iii) LEGAL CONTENTIONS SUPPORTING THE PETITION HAVE A GOOD-  
24 FAITH BASIS UNDER EXISTING LAW OR FOR EXTENDING, MODIFYING, OR  
25 REVERSING EXISTING LAW OR FOR ESTABLISHING NEW LAW.

26 (iv) THE PETITION IS NOT FILED FOR ANY IMPROPER PURPOSE, SUCH  
27 AS TO HARASS, CAUSE UNNECESSARY DELAY, OR NEEDLESSLY INCREASE THE

1 **COST OF LITIGATION.**

2 (10) ~~(9)~~ A petition or answer may be amended at any time by  
 3 leave of the tribunal and in compliance with its rules. If a tax  
 4 was paid while the determination of the right to the tax is pending  
 5 before the tribunal, the taxpayer may amend his or her petition to  
 6 seek a refund of that tax.

7 (11) ~~(10)~~ A person or legal entity may appear before the  
 8 tribunal in his or her own behalf or may be represented by an  
 9 attorney or by any other person.

10 (12) ~~(11)~~ As used in this section, "designated delivery  
 11 service" means a delivery service provided by a trade or business  
 12 that is designated by the tribunal for purposes of this subsection.  
 13 The tribunal shall issue a tribunal notice not later than December  
 14 31 in each calendar year designating not less than 1 delivery  
 15 service for the immediately succeeding calendar year. The tribunal  
 16 may designate a delivery service only if the tribunal determines  
 17 that the delivery service meets all of the following requirements:

18 (a) Is available to the general public.

19 (b) Is at least as timely and reliable on a regular basis as  
 20 the United States ~~postal service~~. **POSTAL SERVICE.**

21 (c) Records electronically to a database kept in the regular  
 22 course of business or marks on the petition the date on which the  
 23 petition was given to the delivery service for delivery.

24 (d) Any other requirement the tribunal prescribes.

25 Sec. 49. (1) The tribunal by rule shall prescribe filing fees  
 26 and other fees to be paid in connection with a proceeding before  
 27 the tribunal. The fees shall be paid to the clerk of the tribunal

1 and by order of the tribunal may be taxed as costs.

2 (2) The residential property and small claims division of the  
3 tribunal shall not charge fees or costs on appeals of principal  
4 residence property as defined in rules promulgated by the tax  
5 tribunal.

6 (3) The Michigan tax tribunal fund is created in the  
7 department of ~~labor and economic growth~~ **LICENSING AND REGULATORY**  
8 **AFFAIRS** as a separate interest bearing fund. All fees collected  
9 pursuant to this act shall be deposited in the Michigan tax  
10 tribunal fund. **IN ADDITION, SUBJECT TO APPROPRIATION, BEGINNING IN**  
11 **FISCAL YEAR 2018-2019 AND EACH YEAR THEREAFTER, AN AMOUNT**  
12 **SUFFICIENT TO MAINTAIN THE OPERATION OF THE TRIBUNAL CONSISTENT**  
13 **WITH THIS ACT SHALL BE DEPOSITED IN THE FUND.** The state treasurer  
14 shall direct the investment of the Michigan tax tribunal fund.  
15 Money in the Michigan tax tribunal fund shall remain in the  
16 Michigan tax tribunal fund at the close of the fiscal year and  
17 shall not revert to the general fund. Money in the Michigan tax  
18 tribunal fund shall be used solely for operation of the tribunal.

19 Sec. 51. (1) A decision and opinion of the tribunal shall be  
20 made within a reasonable period, shall be in writing or stated in  
21 the record, and shall include a concise statement of facts and  
22 conclusions of law, stated separately and, upon order of the  
23 tribunal, shall be officially reported and published. **AFTER**  
24 **DECEMBER 31, 2017, A DECISION AND OPINION IS NOT TIMELY FOR**  
25 **PURPOSES OF THIS SUBSECTION IF, ABSENT GOOD CAUSE, IT IS ISSUED**  
26 **MORE THAN 120 DAYS AFTER THE DATE THAT THE LAST BRIEF WAS FILED**  
27 **FOLLOWING COMPLETION OF THE HEARING OR, IF BRIEFS WERE NOT FILED**



1 FOLLOWING COMPLETION OF THE HEARING, THE DATE THAT THE HEARING WAS  
2 COMPLETED. A TRIBUNAL MEMBER'S REPEATED FAILURE TO ISSUE TIMELY  
3 DECISIONS MAY BE CONSIDERED FOR PURPOSES OF A REMOVAL DECISION  
4 UNDER SECTION 21(6) .

5 (2) If the implementation of a decision of the tribunal would  
6 have the effect of delaying collection of taxes in a taxing unit  
7 due to the time of the year in which the decision is rendered, the  
8 tribunal shall not order immediate implementation of the decision  
9 without consent of all the taxing units involved, but shall order  
10 any required adjustment in rate by the taxing unit or units be made  
11 in the following tax year.

12 Sec. 62. (1) The residential property and small claims  
13 division created in section 61 has jurisdiction over a proceeding,  
14 otherwise cognizable by the tribunal, in which residential property  
15 is exclusively involved. Property other than residential property  
16 may be included in a proceeding before the residential property and  
17 small claims division if the amount of that property's taxable  
18 value or state equalized valuation in dispute is not more than  
19 \$100,000.00, **OR AFTER DECEMBER 31, 2017, ABSENT OBJECTION BY EITHER**  
20 **PARTY MADE WITHIN A TIME LIMIT PRESCRIBED BY TRIBUNAL RULE, IF THE**  
21 **PROPERTY'S TAXABLE VALUE OR STATE EQUALIZED VALUATION IN DISPUTE IS**  
22 **MORE THAN \$100,000.00 AND NOT MORE THAN \$250,000.00. ~~The~~ BEFORE**  
23 **JANUARY 1, 2018, THE** residential property and small claims division  
24 also has jurisdiction over a proceeding involving an appeal of any  
25 ~~other~~ **NONPROPERTY tax OR SPECIAL ASSESSMENT** over which the tribunal  
26 has jurisdiction if the amount of the tax in dispute is \$20,000.00  
27 or less, adjusted annually by the inflation rate. **AFTER DECEMBER**

31, 2017, THE RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION ALSO HAS JURISDICTION OVER A PROCEEDING INVOLVING AN APPEAL OF ANY NONPROPERTY TAX OVER WHICH THE TRIBUNAL HAS JURISDICTION IF THE AMOUNT OF THE TAX IN DISPUTE IS \$100,000.00 OR LESS, ADJUSTED ANNUALLY BY THE INFLATION RATE. AFTER DECEMBER 31, 2017, THE RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION ALSO HAS JURISDICTION OVER A PROCEEDING INVOLVING AN APPEAL OF ANY SPECIAL ASSESSMENT OVER WHICH THE TRIBUNAL HAS JURISDICTION IF THE AMOUNT OF THE SPECIAL ASSESSMENT IN DISPUTE IS \$20,000.00 OR LESS,

ADJUSTED ANNUALLY BY THE INFLATION RATE. As used in this subsection, "inflation rate" means the ratio of the general price level for the state fiscal year ending in the calendar year immediately preceding the current year divided by the general price level for the state fiscal year ending in the calendar year before the year immediately preceding the current year.

(2) A person or legal entity entitled to proceed under section 31, and whose proceeding meets the jurisdictional requirements of subsection (1), may elect to proceed before either the residential property and small claims division or the entire tribunal. A formal record of residential property and small claims division proceedings is not required. Within ~~20~~21 days after a hearing officer or referee issues a proposed order, a party may file exceptions to the proposed order. The tribunal shall review the exceptions to determine if the proposed order shall be adopted as a final order. Upon a showing of good cause or at the tribunal's discretion, the tribunal may modify the proposed order and issue a final order or hold a rehearing by a tribunal member. A rehearing

1 is not limited to the evidence presented before the hearing officer  
2 or referee.

3 (3) Except as otherwise provided in this subsection, the  
4 residential property and small claims division shall meet in the  
5 county in which the property in question is located or in a county  
6 contiguous to the county in which the property in question is  
7 located. A petitioner-appellant shall not be required to travel  
8 more than 100 miles from the location of the property in question  
9 to the hearing site, except that a rehearing by a tribunal member  
10 shall be at a site determined by the tribunal. By leave of the  
11 tribunal and with the mutual consent of all parties, a residential  
12 property and small claims division proceeding may take place at a  
13 location mutually agreed upon by all parties or may take place by  
14 the use of amplified telephonic or video conferencing equipment.

15 (4) The tribunal shall make a short form for the simplified  
16 filing of residential property and small claims appeals.

17 (5) In a proceeding before the residential property and small  
18 claims division for property other than residential property, if  
19 the amount of taxable value or state equalized valuation in dispute  
20 is greater than \$20,000.00, or in nonproperty matters if the amount  
21 in dispute is greater than \$1,000.00, the filing fee is the amount  
22 that would have been paid if the proceeding was brought before the  
23 entire tribunal and not the residential property and small claims  
24 division.

25 (6) As used in this chapter, "residential property" means any  
26 of the following:

27 (a) Real property exempt under section 7cc of the general

1 property tax act, 1893 PA 206, MCL 211.7cc.

2 (b) Real property classified as residential real property  
3 under section 34c of the general property tax act, 1893 PA 206, MCL  
4 211.34c.

5 (c) Real property with less than 4 rental units.

6 (d) Real property classified as agricultural real property  
7 under section 34c of the general property tax act, 1893 PA 206, MCL  
8 211.34c.

9 Enacting section 1. Section 23 of the tax tribunal act, 1973  
10 PA 186, MCL 205.723, is repealed.

11 Enacting section 2. This amendatory act takes effect October  
12 1, 2017.