



**House  
Legislative  
Analysis  
Section**

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**APPEAL OF SPECIAL ASSESSMENTS**

House Bill 4210 (Substitute H-1)  
House Bill 4212 as introduced  
First Analysis (4-27-89)

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Sponsor: Rep. Victor C. Krause  
Committee: Taxation

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**THE APPARENT PROBLEM:**

There have been complaints that property owners are not notified by local officials of the procedure for protesting special assessments (for sewer or sidewalk construction, for example) when notices of assessments or assessment hearings are sent to them. Such information is routinely provided with notifications of property tax assessments.

**THE CONTENT OF THE BILL:**

The bills would make it clear that a property owner must first protest a special assessment at the local hearing to be eligible to file an appeal with the state tax tribunal and would require that people who are subject to a special assessment be informed of this fact and of the method by which a protest could be made at the local level.

House Bill 4210 would amend Public Act 162 of 1962 (dealing with hearing notices) to require that notice of a hearing on special assessments include a statement that an appearance and protest at the hearing was necessary in order to appeal the amount of a special assessment to the state tax tribunal and describing the manner in which an appearance and protest could be made. The bill would also require that the notice of a special assessment contain a notification that a written appeal of the special assessment could be filed with the state tax tribunal within 30 days after confirmation of a special assessment roll if the special assessment had been protested at the local hearing.

Under the bill, a nonresident would be permitted to file a protest by letter and would not be required to appear in person at a special assessment hearing. The governing body of a township or city could allow residents to protest in the same way by adopting an ordinance or resolution. Further, the bill would require the local governing body to maintain a record of parties appearing to protest at the hearing. If a hearing was terminated or adjourned for the day before a person was provided the opportunity to be heard, the person would be considered to have protested the special assessment in person if his or her appearance had been recorded.

House Bill 4212 would amend the Tax Tribunal Act to specify that before the tribunal could acquire jurisdiction of a special assessment dispute, the special assessment must have been protested at the hearing held to confirm the special assessment roll.

MCL 211.741 and 211.744 (House Bill 4210) and 205.735 (House Bill 4212)

**FISCAL IMPLICATIONS:**

There is no information at present.

**ARGUMENTS:**

**For:**

The bills would put in place for special assessment protests basically the same procedure that exists for protesting property tax assessments. Property owners would receive

ample notification that they can appeal special assessments to the state tax tribunal if they first attend the local hearing to voice their complaints. Property owners have complained that they are not currently notified how to protest special assessments.

**Against:**

The bills would allow nonresidents to protest special assessments by letter but do not guarantee residents that opportunity. Local communities can allow local residents to protest by mail but need not. They can require a personal appearance by the property owner (or, alternatively, by an attorney). This is not fair. What if a resident cannot attend the hearing? The choice is to hire an attorney at considerable expense or forgo an appeal. It is not even clear why a person should have to attend the local hearing at all in order to appeal to the tax tribunal. (It should be noted that a board of review meets until all appeals have been heard, while a special assessment hearing is a single meeting much like a regular meeting of a city council or township board of supervisors.)

**Response:** This process has worked without complaint for property tax assessments. It makes sense to make the two procedures parallel. The local hearing is an important forum for clearing up simple mistakes and discussing factors that determine a special assessment. To allow local residents simply to send a vague written communication to local officials and then appear before the state tax tribunal would cause problems for state and local tax officials.

**POSITIONS:**

A representative of the State Tax Commission has indicated support for the bills. (4-20-89)

The Michigan Assessors Association supports the bills. (4-26-89)

The Michigan Townships Association supports the bills. (4-26-89)

H.B. 4210 & 4212 (4-27-89)

U.S. 4210 / 4212