

HOUSE BILL No. 4880

May 28, 1991, Introduced by Reps. O'Connor, Keith, Munsell, Willis Bullard, Walberg, Middaugh and Jaye and referred to the Committee on Education.

A bill to amend section 1613 of Act No. 451 of the Public Acts of 1976, entitled as amended
"The school code of 1976,"
as added by Act No. 333 of the Public Acts of 1982, being section 380.1613 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 1613 of Act No. 451 of the Public Acts
2 of 1976, as added by Act No. 333 of the Public Acts of 1982,
3 being section 380.1613 of the Michigan Compiled Laws, is amended
4 to read as follows:

5 Sec. 1613. (1) By adoption of a resolution of its board
6 before February 1, 1983, or before January 1 in any year thereaf-
7 ter, a school district or intermediate school district may
8 determine to impose a summer property tax levy, which resolution
9 by its terms may be applicable until revoked by the board of the

1 school district or intermediate school district or for levies in
2 any year specified therein. For each year such a resolution
3 applies the SUPERINTENDENT OF THE school district or intermediate
4 school district that has adopted the resolution shall request ~~7~~
5 ~~before February 1, 1983 or~~ before January 1 ~~in any year~~
6 ~~thereafter,~~ each city and township in which it is located to
7 agree to collect the summer levy in that year of either the total
8 or 1/2, as specified in the resolution, of the school property
9 taxes, AND THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT IS
10 NOT REQUIRED TO TAKE ANY FORMAL ACTION FOR THE SUPERINTENDENT'S
11 REQUEST TO BE EFFECTIVE. Notice of the meeting of the respective
12 school district board or intermediate school district board at
13 which this resolution will be offered for adoption shall be pub-
14 lished by the district ~~7~~ not less than 6 days before holding
15 the meeting ~~7~~ in a newspaper of general circulation in the
16 school district or intermediate school district. This notice
17 shall specify the time, date, and place of the public meeting,
18 shall be not less than 8 vertical inches and 4 horizontal inches,
19 shall be in not less than 12-point type, shall be preceded by a
20 headline in not less than 18-point type stating "Notice of a
21 public meeting to institute a summer property tax levy", shall
22 contain a concise statement of the contents and purpose of the
23 proposed resolution, and shall not be placed in that portion of
24 the newspaper reserved for legal notices and classified
25 advertisements. Upon receipt of the request, the governing body
26 of the city or township shall negotiate the reasonable expenses
27 for collection of the school district's or intermediate school

1 district's summer property tax levy that the city or township may
2 bill under section 1611 or 1612. If a city or township and the
3 school district or intermediate school district reach an agree-
4 ment within 30 days of receipt of the district's request for the
5 collection of the district's summer property tax levy, including
6 an agreement to the amount of reasonable expenses that the city
7 or township may bill under section 1611 or 1612, section 1611
8 shall govern the other terms of a city's agreement and section
9 1612 shall govern the other terms of a township's agreement.

10 (2) If a city or township and the school district or inter-
11 mediate school district fail to reach an agreement pursuant to
12 subsection (1) for the collection of the summer property tax levy
13 of a school district or intermediate school district subject to
14 subsection (3), the school district or intermediate school dis-
15 trict then may negotiate ~~—~~ until April 1 ~~—~~ a proposed agree-
16 ment with the county treasurer to collect its summer property tax
17 levy against property located in that city or township. If a
18 proposed agreement with the county treasurer has not been reached
19 by April 1, the school district or intermediate school district
20 may determine to serve as the property tax collecting unit and
21 collect its own summer property tax levy against property in that
22 city or township.

23 (3) If ~~—~~ pursuant to subsection (2) ~~—~~ the school dis-
24 trict or intermediate school district has determined to collect
25 its own summer property tax levy or has reached a proposed agree-
26 ment with a county treasurer on the collection of its summer
27 property tax levy against property located in a city or township

1 with which an agreement to collect this levy could not be made
2 pursuant to subsection (1), the school district shall notify by
3 April 15 that city or township of the terms of the statement
4 required by subsection (4)(b) and the city or township ~~shall~~
5 ~~have~~ THEN HAS 15 days in which to exercise an option to collect
6 the school district's or intermediate school district's summer
7 property tax levy pursuant to the terms of section 1611 or 1612.

8 (4) Collection of all or part of a school district's or
9 intermediate school district's property tax levy by a county
10 treasurer or by the school district or intermediate school dis-
11 trict shall comply with all of the following:

12 (a) Collection shall be either 1/2 or the total of the prop-
13 erty tax levy against the properties, as specified for that year
14 in the resolution of the district.

15 (b) The actual cost of the collection ~~which~~ THAT the
16 school district or intermediate school district has agreed to
17 incur itself or to pay the county treasurer that is in addition
18 to any fees imposed pursuant to subdivision (g), and the aggre-
19 gate amount of costs of collection the district has agreed to
20 incur or the county treasurer may receive from district payments
21 and from fees and charges imposed pursuant to subdivision (g)
22 shall be stated in writing and reported to the state treasurer.

23 (c) Before June 30 the county treasurer or, if the district
24 is collecting its own summer property tax levy, the treasurer of
25 the school district or intermediate school district shall spread
26 the taxes being collected in terms of millages on the assessment
27 roll, assess the amount of tax levied in proportion to the state

1 equalized valuation, and prepare a tax roll ~~which~~ THAT commands
2 the appropriate treasurer to collect on July 1 the taxes indi-
3 cated as due on the tax roll.

4 (d) Taxes authorized to be collected shall become a lien
5 against the property on which assessed ~~—~~ and SHALL BECOME due
6 from the owner of that property ~~—~~ on July 1.

7 (e) Taxes shall be collected on or before September 14 and
8 all taxes and interest imposed pursuant to subdivision (f) THAT
9 ARE unpaid before March 1 shall be returned as delinquent on
10 March 1. Taxes delinquent under this subdivision shall be col-
11 lected pursuant to THE GENERAL PROPERTY TAX ACT, Act No. 206 of
12 the Public Acts of 1893, as amended, BEING SECTIONS 211.1 TO
13 211.157 OF THE MICHIGAN COMPILED LAWS.

14 (f) Interest shall be added to taxes collected after
15 September 14 at ~~that~~ THE rate imposed by section 59 of Act No.
16 206 of the Public Acts of 1893, being section 211.59 of the
17 Michigan Compiled Laws, on delinquent property tax levies ~~which~~
18 THAT became a lien in the same year.

19 (g) All or a portion of fees or charges, or both, authorized
20 under section 44 of Act No. 206 of the Public Acts of 1893,
21 being section 211.44 of the Michigan Compiled Laws, may be
22 imposed on taxes paid before March 1 and shall be retained by the
23 treasurer actually performing the collection of the summer prop-
24 erty tax levy of the school district or intermediate school dis-
25 trict, regardless of whether all or part of these fees or
26 charges, or both, have been waived by the township or city.

1 (5) An agreement for the collection of a summer property tax
2 levy of a school district or intermediate school district with a
3 county treasurer shall include a schedule for delivering collec-
4 tions to the school district or intermediate school district.

5 (6) To the extent applicable and consistent with the
6 requirements of this section, the provisions of Act No. 206 of
7 the Public Acts of 1893 — shall apply to proceedings in rela-
8 tion to the assessment, spreading, and collection of taxes pursu-
9 ant to this section. Additionally, in relation to the assess-
10 ment, spreading, and collection of taxes pursuant to this sec-
11 tion, the county treasurer or, if the district is collecting its
12 own summer property tax levy, the treasurer of the school dis-
13 trict or intermediate school district shall have powers and
14 duties similar to those prescribed by Act No. 206 of the Public
15 Acts of 1893 — for township supervisors, township clerks, and
16 township treasurers. However, this section shall not be consid-
17 ered to transfer any authority over the assessment of property.

18 (7) If a county treasurer or the treasurer of a school dis-
19 trict or intermediate school district collects the summer prop-
20 erty tax levy of the district, the township or city shall deliver
21 by June 1 a certified copy of the assessment roll containing
22 state equalized valuations for each parcel of taxable property in
23 the township or city to the treasurer collecting the summer prop-
24 erty tax levy of the school district or intermediate school
25 district. The county treasurer or the treasurer of a school dis-
26 trict or intermediate school district receiving this certified
27 copy of the assessment roll shall remit the necessary cost

1 incident to the reproduction of the assessment roll to the
2 township or city.

3 (8) A county treasurer or treasurer of a school district or
4 intermediate school district collecting taxes pursuant to this
5 section shall be bonded for tax collection in the same amount and
6 in the same manner as a township treasurer would be for undertak-
7 ing the duties prescribed by this section.

8 (9) An agreement for the collection of a summer property tax
9 levy between a school district or intermediate school district
10 and a county may cover summer collections for 2 years. If an
11 agreement covers summer collections for 2 years, the resolution
12 and request required by subsection (1), the notice required by
13 subsection (2), and the option to reconsider provided by subsec-
14 tion (3) shall not apply for summer collections in the second
15 year.

16 (10) If collections are made pursuant to this section by a
17 county treasurer or by the treasurer of a school district or
18 intermediate school district, all payments from a school district
19 or intermediate school district for collecting its summer prop-
20 erty tax levy and all revenues generated from collection fees
21 shall be deposited, when received or collected, in a current
22 school tax collection fund, which fund shall be used by the
23 county treasurer or treasurer of the school district or interme-
24 diate school district to pay for the cost of collecting the
25 district's summer property tax levy. The current school tax col-
26 lection fund shall be segregated from all other funds and once
27 the current school tax collection fund has been established money

1 shall not be withdrawn except upon an order, check, or draft of
2 the collecting treasurer for the purpose of paying 1 or more of
3 the following costs:

4 (a) The cost of special deputy treasurers and equipment
5 directly involved in the collection of current property taxes.

6 (b) The cost of all services determined necessary by the
7 collecting treasurer to collect the summer property tax levy of
8 the school district or intermediate school district.

9 (c) The contract payments to any person, firm, or corpora-
10 tion employed by the collecting treasurer to assist in the col-
11 lection of the current property taxes.

12 (11) All surplus money in a current school tax collection
13 fund shall be invested by the collecting treasurer in any invest-
14 ment authorized by Act No. 20 of the Public Acts of 1943, being
15 sections 129.91 to 129.93 of the Michigan Compiled Laws. The
16 county treasurer and the treasurer of a school district or inter-
17 mediate school district shall publish ~~—~~ on March 1 of the year
18 after the treasurer first collects the summer property tax levy
19 of a school district or intermediate school district and each
20 year thereafter ~~—~~ an annual report on the status of the fund
21 for the ~~last~~ IMMEDIATELY PRECEDING year ending December 31.
22 The report shall show the total charges, expenses, and year-end
23 surplus.

24 (12) Money in the current school tax collection fund shall
25 not be transferred to the general fund of the county, school dis-
26 trict, or intermediate school district or made the subject of
27 appropriation by the county, school district, or intermediate

1 school district. Any surplus in a current school tax collection
 2 fund shall be used by the county treasurer, school district trea-
 3 surer, or intermediate school district treasurer to reduce the
 4 following costs for the next summer property tax levy of a school
 5 district or intermediate school district that is collected by the
 6 county treasurer, school district treasurer, or intermediate
 7 school district treasurer:

8 (a) The costs of collection, in excess of fees and charges,
 9 incurred or paid pursuant to subsection (4)(b).

10 (b) The fees and charges imposed pursuant to subsection
 11 (4)(g).

12 (13) A city treasurer, township treasurer, county treasurer,
 13 school district treasurer, or intermediate school district trea-
 14 surer that collects pursuant to this section, section 1611, or
 15 section 1612 the summer property tax levy of a school district or
 16 intermediate school district against property eligible for a
 17 deferral of summer property taxes under section 51 of Act No.
 18 206 of the Public Acts of 1893, being section 211.51 of the
 19 Michigan Compiled Laws, and, if not otherwise eligible for defer-
 20 ral ~~thereunder~~ UNDER THAT SECTION, against property classified
 21 as agricultural real property if the gross receipts of the agri-
 22 cultural or horticultural operations in the ~~previous~~
 23 IMMEDIATELY PRECEDING year or the average gross receipts of such
 24 operations in the ~~previous~~ IMMEDIATELY PRECEDING 3 years are
 25 not less than the household income of the owner in the ~~previous~~
 26 IMMEDIATELY PRECEDING year shall defer the collection of these
 27 summer property taxes without penalty or interest until the

1 following February 15 upon a filing by the taxpayer of an intent
2 to defer with the property tax collecting treasurer in the same
3 manner as provided by section 51 of Act No. 206 of the Public
4 Acts of 1893. The treasurer of a city, township, school dis-
5 trict, intermediate school district, or county who collects the
6 summer property tax levy of a school district or intermediate
7 school district also shall comply with the publication and
8 assistance requirements of section 51 of Act No. 206 of the
9 Public Acts of 1893 ~~—~~ with respect to property eligible for a
10 deferral under this subsection.