

# SENATE BILL No. 19

January 24, 1991, Introduced by Senators N. SMITH, WELBORN, BARCIA and DI NELLO and referred to the Committee on Finance.

A bill to amend section 27a of Act No. 206 of the Public Acts of 1893, entitled as amended  
"The general property tax act,"  
as added by Act No. 539 of the Public Acts of 1982, being section 211.27a of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 27a of Act No. 206 of the Public Acts of  
2 1893, as added by Act No. 539 of the Public Acts of 1982, being  
3 section 211.27a of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 27a. (1) Except as otherwise provided in ~~subsection~~  
6 ~~(2)~~ SUBSECTIONS (2) AND (3), property shall be assessed at 50%  
7 of its true cash value pursuant to section 3 of article ~~9~~ IX of  
8 the state constitution of 1963.

1       (2) Assessment of property, as required in this section and  
2 section 27, shall be inapplicable to the assessment of property  
3 subject to the levy of ad valorem taxes within voted tax limita-  
4 tion increases to pay principal and interest on limited tax bonds  
5 issued by any governmental unit, including a county, township,  
6 community college district, or school district, before January 1,  
7 1964, if the assessment required to be made under this act would  
8 be less than the assessment as state equalized prevailing on the  
9 property at the time of the issuance of the bonds. This inappli-  
10 cability shall continue until levy of taxes to pay principal and  
11 interest on the bonds is no longer required. The assessment of  
12 property required by this act shall be applicable for all other  
13 purposes.

14       (3) FOR PURPOSES OF SCHOOL OPERATING MILLAGE, PROPERTY SHALL  
15 BE ASSESSED AT 45% OF ITS TRUE CASH VALUE IN 1991; 42.5% OF ITS  
16 TRUE CASH VALUE IN 1992; AND 40% OF ITS TRUE CASH VALUE IN 1993  
17 AND EACH YEAR AFTER 1993. NOT LATER THAN JANUARY 1 EACH YEAR, OR  
18 IF THERE IS A SUMMER COLLECTION, THE PRIOR AUGUST 1, THE TREA-  
19 SURER OF EACH LOCAL TAX COLLECTING UNIT SHALL FILE A STATEMENT  
20 WITH THE SCHOOL DISTRICT INDICATING THE ASSESSMENT BASED ON 50%  
21 OF ITS TRUE CASH VALUE OF ALL PROPERTY IN THE TAX COLLECTING UNIT  
22 LOCATED IN THAT SCHOOL DISTRICT, THE ASSESSMENT OF ALL THE PROP-  
23 ERTY AFTER OPERATION OF THIS SUBSECTION, AND THE APPLICABLE  
24 EQUALIZATION FACTOR.