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## BUDGET HEARING: MILLAGE RATE

House Bill 4517 and 4518  
Committee: Local Government

House Bill 4523 (Substitute H-1)  
Committee: Tax Policy

Sponsor: Rep. Willis Bullard , Jr.

Complete to 3-8-95

### A SUMMARY OF HOUSE BILLS 4517-4518 AS INTRODUCED 3-2-95 AND HOUSE BILL 4523 (H-1)

The Uniform Budgeting and Accounting Act requires local units of government to pass a general appropriations act for all funds, with specified exceptions. The act must set forth the amounts appropriated by the legislative body to defray the expenditures and meet the liabilities of the local unit for the ensuing fiscal year. House Bill 4518 would amend Section 16 of the act (MCL 141.136 et al.) to require the local general appropriations act to set forth the total number of mills to be levied under the General Property Tax Act and the purposes for which that millage was to be levied. The bill specifies that the amendatory act would be known and cited as "the Truth in Budgeting Act."

Public Act 43 of the Second Extra Session of 1963 requires local units of government to hold a public hearing on their proposed budgets and to give notice of the hearing by publication in a newspaper of general circulation at least six days before the hearing. The notice must include the time and place of the hearing and say where a copy of the budget is available for public inspection. House Bill 4517 (MCL 141.412) would amend the act to require that the notice include the following statement in 11-point boldfaced type: "The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing."

House Bill 4523 (H-1) would amend the General Property Tax Act (MCL 211.24e) to specify that a taxing unit that complied with Section 16 of the Uniform Budgeting and Accounting Act (referred to above) would not have to hold the public hearing required under Section 24e (3) of the property tax act, known as the truth in taxation hearing. That hearing is required when a taxing unit wants to levy a millage rate that would yield more in tax revenue than the unit received the prior year (adjusted for additions to the property tax roll). To levy the additional millage, a unit must adopt a separate resolution or ordinance after holding the public hearing. Notice must be provided at least six days prior to the hearing. The bill is tie-barred to House Bills 4517 and 4518.

House Bills 4517, 4518 and 4523 (3-8-95)