



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5376 (Substitute S-8 as reported)
Sponsor: Representative Willis Bullard, Jr.
House Committee: Tax Policy
Senate Committee: Finance

CONTENT

The bill would amend the Township and Village Public Improvement and Public Service Act to provide that after 1996 an ad valorem special assessment levied under the Act would have to be levied on the taxable value of the property assessed.

Currently, a special assessment installment for one year for an improvement authorized under the Act cannot exceed 15% of a parcel's State equalized valuation (SEV); the total assessment installments for a combination of improvements cannot exceed 45% of the property's SEV. Under the bill, after 1996 the limits would apply to property's taxable value.

MCL 41.414

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill specifies that special assessments would have to be based on the taxable value for 1997 and subsequent years. Local units that did not increase millage rates to correspond to the lower tax base would decrease special assessment collections.

Date Completed: 12-10-96

Fiscal Analyst: R. Ross