



# HOUSE BILL No. 4238

January 31, 1995, Introduced by Reps. Willard, Brewer, Martinez, DeMars, Gire, Freeman, Kelly, Harder, DeHart, Baade, Wetters, Baird, Pitoniak and Jaye and referred to the Committee on Tax Policy.

A bill to amend section 44 of Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

as amended by Act No. 415 of the Public Acts of 1994, being section 211.44 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 44 of Act No. 206 of the Public Acts of  
2 1893, as amended by Act No. 415 of the Public Acts of 1994, being  
3 section 211.44 of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 44. (1) Upon receipt of the tax roll, the township  
6 treasurer or other collector shall proceed to collect the taxes.  
7 The township treasurer or other collector shall mail to each  
8 taxpayer at the taxpayer's last known address on the tax roll or  
9 to the taxpayer's designated agent a statement showing the

1 description of the property against which the tax is levied, the  
2 taxable value of the property, and the amount of the tax on the  
3 property. THE TAX STATEMENT SHALL ALSO INCLUDE A NOTICE OF THE  
4 PROVISIONS OF SECTION 27 AND A NOTICE OF THE AVAILABILITY OF THE  
5 CREDIT UNDER CHAPTER 9 OF THE INCOME TAX ACT OF 1967, ACT NO. 281  
6 OF THE PUBLIC ACTS OF 1967, BEING SECTIONS 206.501 TO 206.532 OF  
7 THE MICHIGAN COMPILED LAWS. If a tax statement is mailed to the  
8 taxpayer, a tax statement sent to a taxpayer's designated agent  
9 may be in a summary form or may be in an electronic data process-  
10 ing format. If the tax statement information is provided to both  
11 a taxpayer and the taxpayer's designated agent, the tax statement  
12 mailed to the taxpayer may be identified as an informational  
13 copy. A township treasurer or other collector electing to send a  
14 tax statement to a taxpayer's designated agent or electing not to  
15 include an itemization in the manner described in subsection  
16 (9)(c) in a tax statement mailed to the taxpayer shall, upon  
17 request, mail a detailed copy of the tax statement, including an  
18 itemization of the amount of tax in the manner described by sub-  
19 section (9)(c), to the taxpayer without charge, as previously  
20 required by this section.

21 (2) The expense of preparing and mailing the statement shall  
22 be paid from the county, township, city, or village funds.  
23 Failure to send or receive the notice does not prejudice the  
24 right to collect or enforce the payment of the tax. The township  
25 treasurer shall remain in the office of the township treasurer at  
26 some convenient place in the township on each Friday in the month  
27 of December, from 9 a.m. to 5 p.m. to receive taxes, but shall

1 receive taxes upon a weekday when they are offered. However, if  
2 a Friday in the month of December is Christmas eve, Christmas  
3 day, New Year's eve, or a day designated by the township as a  
4 holiday for township employees, the township treasurer shall not  
5 be required to remain in the office of the township treasurer on  
6 that Friday, but shall remain in the office of the township trea-  
7 surer at some convenient place in the township from 9 a.m. to 5  
8 p.m. on the day most immediately preceding that Friday that is  
9 not Christmas eve, Christmas day, New Year's eve, or a day desig-  
10 nated by the township as a holiday for township employees, to  
11 receive taxes.

12 (3) Except as provided by subsection (7), on a sum volun-  
13 tarily paid before February 15 of the succeeding year, the local  
14 property tax collecting unit shall add 1% for a property tax  
15 administration fee. However, unless otherwise provided for by an  
16 agreement between the assessing unit and the collecting unit, if  
17 a local property tax collecting unit other than a village does  
18 not also serve as the local assessing unit, the excess of the  
19 amount of property tax administration fees over the expense to  
20 the local property tax collecting unit in collecting the taxes,  
21 but not less than 80% of the fee imposed, shall be returned to  
22 the local assessing unit. A property tax administration fee is  
23 defined as a fee to offset costs incurred by a collecting unit in  
24 assessing property values, collecting the property tax levies,  
25 and in the review and appeal processes. The costs of any  
26 appeals, in excess of funds available from the property tax  
27 administration fee, may be shared by any taxing unit only if

1 approved by the governing body of the taxing unit. Except as  
 2 provided by subsection (7), on all taxes paid after February 14  
 3 and before March 1 the governing body of a city or township may  
 4 authorize the treasurer to add to the tax a property tax adminis-  
 5 tration fee to the extent imposed on taxes paid before February  
 6 15 and a late penalty charge equal to 3% of the tax. ~~Interest~~  
 7 THE GOVERNING BODY OF A CITY OR TOWNSHIP MAY WAIVE INTEREST from  
 8 February 15 to the last day of February on a summer property tax  
 9 that has been deferred under section 51 or any late penalty  
 10 charge ~~may be waived by the governing body of a city or~~  
 11 ~~township~~ for the homestead property of a senior citizen, para-  
 12 plegic, quadriplegic, hemiplegic, eligible serviceperson, eligi-  
 13 ble veteran, eligible widow or widower, totally and permanently  
 14 disabled person, or blind person, as those persons are defined in  
 15 chapter 9 of the income tax act of 1967, Act No. 281 of the  
 16 Public Acts of 1967, ~~as amended,~~ being sections 206.501 to  
 17 206.532 of the Michigan Compiled Laws, if the person makes a  
 18 claim before February 15 for a credit for that property provided  
 19 by chapter 9 of Act No. 281 of the Public Acts of 1967, ~~as~~  
 20 ~~amended,~~ if the person presents a copy of the form filed for  
 21 that credit to the local treasurer, and if the person has not  
 22 received the credit before February 15. ~~Interest~~ THE GOVERNING  
 23 BODY OF A CITY OR TOWNSHIP MAY WAIVE INTEREST from February 15 to  
 24 the last day of February on a summer property tax deferred under  
 25 section 51 or any late penalty charge ~~may be waived by the gov-~~  
 26 ~~erning body of a city or township~~ for a person's property that  
 27 is subject to a farmland development rights agreement recorded

1 with the register of deeds of the county in which the property is  
2 situated as provided in section 5 of the farmland and open space  
3 preservation act, Act No. 116 of the Public Acts of 1974, being  
4 section 554.705 of the Michigan Compiled Laws, if the person  
5 presents a copy of the development rights agreement or verifica-  
6 tion that the property is subject to a development rights agree-  
7 ment before February 15. A 4% county property tax administration  
8 fee, a property tax administration fee to the extent imposed on  
9 and if authorized under subsection (7) for taxes paid before  
10 March 1, and interest on the tax at the rate of 1% per month  
11 shall be added to taxes collected by the township or city trea-  
12 surer after the last day of February and before settlement with  
13 the county treasurer, and the payment shall be treated as though  
14 collected by the county treasurer. If the statements required to  
15 be mailed by this section are not mailed before December 31, the  
16 treasurer shall not impose a late penalty charge ~~with respect~~  
17 ~~to~~ ON taxes collected after February 14.

18 (4) The governing body of a local property tax collecting  
19 unit may waive all or part of the property tax administration fee  
20 or the late penalty charge, or both. A property tax administra-  
21 tion fee collected by the township treasurer shall be used only  
22 for the purposes for which it may collected as specified by sub-  
23 section (3) and this subsection. If the bond of the treasurer,  
24 as provided in section 43, is furnished by a surety company, the  
25 cost of the bond may be paid by the township from the property  
26 tax administration fee.

1 (5) If apprehensive of the loss of personal tax assessed  
2 upon the roll, the township treasurer may enforce collection of  
3 the tax at any time, and if compelled to seize property or bring  
4 an action in December may add, if authorized under  
5 subsection (7), 1% for a property tax administration fee and 3%  
6 for a late penalty charge.

7 (6) Along with taxes returned delinquent to a county trea-  
8 surer under section 55, the amount of the 1% property tax admin-  
9 istration fee prescribed by subsection (3) that is imposed and  
10 not paid shall be included in the return of delinquent taxes and,  
11 when delinquent taxes are distributed by the county treasurer  
12 under this act, the delinquent 1% property tax administration fee  
13 shall be distributed to the treasurer of the local unit who  
14 transmitted the statement of taxes returned as delinquent.  
15 Interest imposed upon delinquent property taxes under this act  
16 shall also be imposed upon the 1% property tax administration fee  
17 and, for purposes of this act other than to which local unit the  
18 county treasurer shall distribute a delinquent 1% property tax  
19 administration fee, any reference to delinquent taxes shall be  
20 considered to include the 1% property tax administration fee  
21 returned as delinquent for the same property.

22 (7) The local property tax collecting treasurer shall not  
23 impose a property tax administration fee, collection fee, or any  
24 type of late penalty charge authorized by law or charter unless  
25 the governing body of the local property tax collecting unit  
26 approves, by resolution or ordinance adopted after  
27 December 31, 1982, an authorization for the imposition of a

1 property tax administration fee, collection fee, or any type of  
2 late penalty charge provided for by this section or by charter,  
3 which authorization shall be valid for all levies that become a  
4 lien after the resolution or ordinance is adopted. However,  
5 unless otherwise provided for by an agreement between the assess-  
6 ing unit and the collecting unit, a local property tax collecting  
7 unit that does not also serve as the assessing unit shall impose  
8 a property tax administration fee on each parcel at a rate equal  
9 to the rate of the fee imposed for city or township taxes on that  
10 parcel.

11 (8) The annual statement required by Act No. 125 of the  
12 Public Acts of 1966, being sections 565.161 to 565.164 of the  
13 Michigan Compiled Laws, or a monthly billing form or mortgagor  
14 passbook provided instead of that annual statement shall include  
15 a statement to the effect that a taxpayer who ~~has~~ WAS not  
16 ~~been~~ mailed the tax statement or a copy of the tax statement by  
17 the township treasurer or other collector shall receive, upon  
18 request and without charge, a copy of the tax statement from the  
19 township treasurer or other collector or, if the tax statement  
20 has been mailed to the taxpayer's designated agent, from either  
21 the taxpayer's designated agent or the township treasurer or  
22 other collector. A designated agent who is subject to Act  
23 No. 125 of the Public Acts of 1966 and who ~~has been~~ WAS mailed  
24 the tax statement for taxes that became a lien in the calendar  
25 year immediately preceding the year in which the annual statement  
26 may be required to be furnished shall mail, upon ~~the~~ request  
27 ~~of~~ and without charge to a taxpayer who ~~has~~ WAS not ~~been~~

1 mailed that tax statement or a copy of that tax statement, a copy  
2 of that tax statement. ~~to that taxpayer.~~

3 (9) As used in this section:

4 (a) "Designated agent" means an individual, partnership,  
5 association, corporation, receiver, estate, trust, or other legal  
6 entity that has entered into an escrow account agreement or other  
7 agreement with the taxpayer that obligates that individual or  
8 legal entity to pay the property taxes for the taxpayer or, if an  
9 agreement has not been entered into, that ~~has been~~ WAS desig-  
10 nated by the taxpayer on a form made available to the taxpayer by  
11 the township treasurer and filed with that treasurer. The desig-  
12 nation by the taxpayer shall remain in effect until revoked by  
13 the taxpayer in a writing filed with the township treasurer. The  
14 form made available by the township treasurer shall include a  
15 statement that submission of the form allows the treasurer to  
16 mail the tax statement to the designated agent instead of to the  
17 taxpayer and a statement notifying the taxpayer of his or her  
18 right to revoke the designation by a writing filed with the town-  
19 ship treasurer.

20 (b) "Taxpayer" means the owner of the property ~~upon~~ ON  
21 which the tax is imposed.

22 (c) When describing in subsection (1) that the amount of tax  
23 on the property must be shown in the tax statement, "amount of  
24 tax" means an itemization by dollar amount of each of the several  
25 ad valorem property taxes and special assessments that a person  
26 may pay under section 53 and an itemization by millage rate, on  
27 either the tax statement or a separate form accompanying the tax



1 statement, of each of the several ad valorem property taxes that  
2 a person may pay under section 53. The township treasurer or  
3 other collector may replace the itemization described in this  
4 subdivision with a statement informing the taxpayer that the  
5 itemization of the dollar amount and millage rate of the taxes is  
6 available without charge from the local property tax collecting  
7 unit.