

HOUSE BILL No. 5726

March 30, 2004, Introduced by Reps. Palmer, Vander Veen, Acciavatti, Wenke, Ruth Johnson, Brandenburg, Stahl, Nitz, Huizenga and Pastor and referred to the Committee on Tax Policy.

A bill to amend 1993 PA 331, entitled
"State education tax act,"
by amending section 5 (MCL 211.905), as amended by 2002 PA 244.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) Beginning in 1994 through 2002, the tax levied
2 under this act shall be collected and distributed by the local
3 tax collecting unit under the provisions of the general property
4 tax act at the same time as other taxes levied by the local
5 school district for school operating purposes. However, in each
6 year after 1993 if a local school district is not going to levy a
7 tax in that summer but levied a tax in the summer of 1993, and
8 the local tax collecting unit in which the local school district
9 is located is collecting a tax for any taxing unit in that
10 summer, the local tax collecting unit shall collect within that
11 local school district 1/2 of the tax under this act in that

1 summer. The tax levied under this act that is collected by a
2 city shall become a lien against the property on which assessed
3 in the same manner and on the same date as city taxes or, if the
4 city approves the collection of the tax levied under this act on
5 a date other than the date it collects the city taxes, on
6 July 1. The tax levied under this act that is collected with the
7 city taxes shall be subject to the same penalties, interest, and
8 collection charges as city taxes and, except as otherwise
9 provided in subsection (3), shall be returned as delinquent to
10 the county treasurer in the same manner and with the same
11 interest, penalties, and fees as city taxes, except as provided
12 in section 89a of the general property tax act, 1893 PA 206, MCL
13 211.89a.

14 (2) Beginning in 2003, the tax levied under this act shall be
15 collected under the provisions of the general property tax act in
16 a summer levy and shall be distributed as provided in this act.
17 Except as otherwise provided in subsection (3) and section 5b,
18 the tax levied under this act shall be collected by each city and
19 township.

20 (3) Notwithstanding the provision of a charter of a county
21 adopted pursuant to 1966 PA 293, MCL 45.501 to 45.521, or the
22 provisions of the charter of a home rule city, to the contrary,
23 the city treasurer of a city that does not return delinquent real
24 property taxes levied by the city to the county treasurer shall
25 return all uncollected delinquent taxes levied under this act to
26 the county treasurer as provided by the general property tax act,
27 1893 PA 206, MCL 211.1 to 211.157, on the March 1 immediately

1 following the year in which the taxes are levied. After the
2 delinquent real property taxes are returned to the county
3 treasurer for collection under this section, the provisions of
4 the general property tax act, 1893 PA 206, MCL 211.1 to 211.157,
5 apply for the collection of those taxes and for the issuance of
6 notes in anticipation of the collection of the taxes.

7 (4) Beginning in 2003, if a school district or intermediate
8 school district collects taxes in the summer under section 1613
9 of the revised school code of 1976, 1976 PA 451, MCL 380.1613,
10 the school district or intermediate school district shall collect
11 the taxes levied under this act in the summer and shall
12 distribute the taxes collected as provided in this act.

13 (5) The state treasurer shall certify the levy of the tax
14 under this act pursuant to the general property tax act.

15 (6) The state treasurer upon receipt shall deposit the
16 collections from the tax into the state treasury to the credit of
17 the state school aid fund. **Upon request by the local tax**
18 **collecting unit, if the local tax collecting unit collects the**
19 **tax levied under this act, or by the school district or**
20 **intermediate school district, if the school district or**
21 **intermediate school district collects the tax levied under this**
22 **act, the state treasurer shall return to the local tax collecting**
23 **unit or to the school district or intermediate school district an**
24 **amount erroneously collected or an amount required to be returned**
25 **by court order in a bankruptcy proceeding.**