

SUBSTITUTE FOR
HOUSE BILL NO. 5364

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 53a and 53b (MCL 211.53a and 211.53b), section
53b as amended by 2003 PA 105, and by adding section 27e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 27E. IF THE ASSESSOR AND THE OWNER OF PROPERTY LIABLE TO
2 TAXATION, INCLUDING PROPERTY SUBJECT TO TAXATION UNDER 1974 PA 198,
3 MCL 207.551 TO 207.572, 1905 PA 282, MCL 207.1 TO 207.21, 1953 PA
4 189, MCL 211.181 TO 211.182, AND THE COMMERCIAL REDEVELOPMENT ACT,
5 1978 PA 255, MCL 207.651 TO 207.668, AGREE THAT THE PROPERTY HAS
6 BEEN INCORRECTLY ASSESSED FOR THE CURRENT ASSESSMENT YEAR AND 1
7 YEAR IMMEDIATELY PRECEDING THE DATE OF DISCOVERY AND DISCLOSURE TO

1 THE ASSESSOR OF THE INCORRECT ASSESSMENT, THE ASSESSOR SHALL
2 PREPARE AND EXECUTE AN AFFIDAVIT, WHICH SHALL ALSO BE SIGNED BY THE
3 OWNER OF THE PROPERTY, VERIFYING THE MUTUAL MISTAKE OF FACT TO THE
4 JULY OR DECEMBER BOARD OF REVIEW.

5 Sec. 53a. Any taxpayer who is assessed and pays taxes in
6 excess of the correct and lawful amount due because of a clerical
7 error, ~~or~~ mutual mistake of fact made by the assessing officer
8 and the taxpayer, **OR AN ERROR MADE BY THE TAXPAYER IN PREPARING THE**
9 **STATEMENT OF ASSESSABLE PERSONAL PROPERTY UNDER SECTION 19** may
10 recover the excess ~~so~~ paid, without interest, if suit is
11 commenced within 3 years from the date of payment, notwithstanding
12 that the payment was not made under protest.

13 Sec. 53b. (1) If there has been a clerical error, ~~or~~ a
14 mutual mistake of fact, **OR ERROR** relative to the correct assessment
15 figures, the rate of taxation, or the mathematical computation
16 relating to the assessing of taxes, the clerical error, ~~or~~ mutual
17 mistake of fact, **OR ERROR** shall be verified by the local assessing
18 officer and approved by the board of review at a meeting held for
19 the purposes of this section on Tuesday following the second Monday
20 in December and, for summer property taxes, on Tuesday following
21 the third Monday in July. If there is not a levy of summer property
22 taxes, the board of review may meet for the purposes of this
23 section on Tuesday following the third Monday in July. If approved,
24 the board of review shall file an affidavit within 30 days relative
25 to the clerical error, ~~or~~ mutual mistake of fact, **OR ERROR** with
26 the proper officials who are involved with the assessment figures,
27 rate of taxation, or mathematical computation and all affected

1 official records shall be corrected. **IF AN AFFIDAVIT IS SUBMITTED**
2 **TO THE BOARD OF REVIEW UNDER SECTION 27E, THE BOARD OF REVIEW SHALL**
3 **APPROVE THE CORRECTION OF THE ERROR.** If the clerical error, ~~or~~
4 mutual mistake of fact, **OR ERROR** results in an overpayment or
5 underpayment, the rebate, including any interest paid, shall be
6 made to the taxpayer or the taxpayer shall be notified and payment
7 made within 30 days of the notice. A rebate shall be without
8 interest. The ~~county~~ treasurer **IN POSSESSION OF THE APPROPRIATE**
9 **TAX ROLL** may deduct the rebate from the appropriate tax collecting
10 unit's subsequent distribution of taxes. The ~~county~~ treasurer **IN**
11 **POSSESSION OF THE APPROPRIATE TAX ROLL** shall bill to the
12 appropriate tax collecting unit the tax collecting unit's share of
13 taxes rebated. Except as otherwise provided in subsection (6), a
14 correction under this subsection may be made in the year in which
15 the error was made or in the following year only.

16 (2) Action pursuant to this section may be initiated by the
17 taxpayer or the assessing officer.

18 (3) The board of review meeting in July and December shall
19 meet only for the purpose described in subsection (1) and to hear
20 appeals provided for in sections 7u, 7cc, and 7ee. If an exemption
21 under section 7u is approved, the board of review shall file an
22 affidavit with the proper officials involved in the assessment and
23 collection of taxes and all affected official records shall be
24 corrected. If an appeal under section 7cc or 7ee results in a
25 determination that an overpayment has been made, the board of
26 review shall file an affidavit and a rebate shall be made at the
27 times and in the manner provided in subsection (1). Except as

1 otherwise provided in sections 7cc and 7ee, a correction under this
2 subsection shall be made for the year in which the appeal is made
3 only. If the board of review grants an exemption or provides a
4 rebate for property under section 7cc or 7ee as provided in this
5 subsection, the board of review shall require the owner to execute
6 the affidavit provided for in section 7cc or 7ee and shall forward
7 a copy of any section 7cc affidavits to the department of treasury.

8 (4) If an exemption under section 7cc is granted by the board
9 of review under this section, the provisions of section 7cc(6)
10 through (11) apply. If an exemption under section 7cc is not
11 granted by the board of review under this section, the owner may
12 appeal that decision in writing to the department of treasury
13 within 35 days of the board of review's denial and the appeal shall
14 be conducted as provided in section ~~7ee(7)~~ **7CC(8)**.

15 (5) An owner or assessor may appeal a decision of the board of
16 review under this section regarding an exemption under section 7ee
17 to the residential and small claims division of the Michigan tax
18 tribunal. An owner is not required to pay the amount of tax in
19 dispute in order to receive a final determination of the
20 residential and small claims division of the Michigan tax tribunal.
21 However, interest and penalties, if any, shall accrue and be
22 computed based on interest and penalties that would have accrued
23 from the date the taxes were originally levied as if there had not
24 been an exemption.

25 (6) A correction under this section that grants a homestead
26 exemption pursuant to section 7cc(21) may be made for the year in
27 which the appeal was filed and the 3 immediately preceding tax

1 years.