

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4436

A bill to amend 1973 PA 186, entitled  
"Tax tribunal act,"  
by amending section 62 (MCL 205.762), as amended by 1995 PA 232.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 62. (1) The residential property and small claims  
2 division created in section 61 has jurisdiction over a proceeding,  
3 otherwise cognizable by the tribunal, in which residential property  
4 is exclusively involved. Property other than residential property  
5 may be included in a proceeding before the residential property and  
6 small claims division —if the amount of that property's taxable  
7 value or state equalized valuation in dispute is not more than  
8 \$100,000.00. The residential property and small claims division  
9 also has jurisdiction over a proceeding involving an appeal of any  
10 other tax over which the tribunal has jurisdiction if the amount of

1 the tax in dispute is ~~\$6,000.00~~ \$20,000.00 or less, **ADJUSTED**  
2 **ANNUALLY BY THE INFLATION RATE. AS USED IN THIS SUBSECTION,**  
3 **"INFLATION RATE" MEANS THE RATIO OF THE GENERAL PRICE LEVEL FOR THE**  
4 **STATE FISCAL YEAR ENDING IN THE CALENDAR YEAR IMMEDIATELY PRECEDING**  
5 **THE CURRENT YEAR DIVIDED BY THE GENERAL PRICE LEVEL FOR THE STATE**  
6 **FISCAL YEAR ENDING IN THE CALENDAR YEAR BEFORE THE YEAR IMMEDIATELY**  
7 **PRECEDING THE CURRENT YEAR.**

8 ~~—— (2) For purposes of this chapter, "residential property" means~~  
9 ~~a homestead or other residential or agricultural real property~~  
10 ~~including less than 4 rental units.~~

11 (2) ~~(3)~~ A person or legal entity entitled to proceed under  
12 section 31, and whose proceeding meets the jurisdictional  
13 requirements of subsection (1), may elect to proceed before either  
14 the residential property and small claims division or the **ENTIRE**  
15 tribunal. A formal record of residential property and small claims  
16 division proceedings is not required. Within 20 days after a  
17 hearing **OFFICER OR** referee issues an ~~A PROPOSED~~ order, ~~by leave of~~  
18 ~~the tribunal and for good cause, a party may request a rehearing by~~  
19 ~~a tribunal member~~ **A PARTY MAY FILE EXCEPTIONS TO THE PROPOSED**  
20 **ORDER. THE TRIBUNAL SHALL REVIEW THE EXCEPTIONS TO DETERMINE IF THE**  
21 **PROPOSED ORDER SHALL BE ADOPTED AS A FINAL ORDER. UPON A SHOWING OF**  
22 **GOOD CAUSE OR AT THE TRIBUNAL'S DISCRETION, THE TRIBUNAL MAY MODIFY**  
23 **THE PROPOSED ORDER AND ISSUE A FINAL ORDER OR HOLD A REHEARING BY A**  
24 **TRIBUNAL MEMBER.** A rehearing is not limited to the evidence  
25 presented before the hearing **OFFICER OR** referee.

26 (3) ~~(4)~~ ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,**  
27 **THE** residential property and small claims division shall meet in

1 the county in which the property in question is located or in a  
2 county contiguous to the county in which the property in question  
3 is located. A petitioner-appellant shall not be required to travel  
4 more than 100 miles from the location of the property in question  
5 to the hearing site, except that a rehearing by a tribunal member  
6 shall be at a site determined by the tribunal. **BY LEAVE OF THE**  
7 **TRIBUNAL AND WITH THE MUTUAL CONSENT OF ALL PARTIES, A RESIDENTIAL**  
8 **PROPERTY AND SMALL CLAIMS DIVISION PROCEEDING MAY TAKE PLACE AT A**  
9 **LOCATION MUTUALLY AGREED UPON BY ALL PARTIES OR MAY TAKE PLACE BY**  
10 **THE USE OF AMPLIFIED TELEPHONIC OR VIDEO CONFERENCING EQUIPMENT.**

11 (4) ~~(5)~~—The tribunal shall make a short form for the  
12 simplified filing of residential **PROPERTY AND SMALL CLAIMS** appeals.

13 (5) ~~(6)~~—In a proceeding before the residential property and  
14 small claims division for property other than ~~homestead~~-residential  
15 property, if the amount of taxable value or state equalized  
16 valuation in dispute is greater than \$20,000.00, or in nonproperty  
17 matters if the amount in dispute is greater than \$1,000.00, the  
18 filing fee is the amount that would have been paid if the  
19 proceeding was brought before the **ENTIRE** tribunal and not the  
20 residential property and small claims division.

21 (6) **AS USED IN THIS CHAPTER, "RESIDENTIAL PROPERTY" MEANS ANY**  
22 **OF THE FOLLOWING:**

23 (A) **REAL PROPERTY EXEMPT UNDER SECTION 7CC OF THE GENERAL**  
24 **PROPERTY TAX ACT, 1893 PA 206, MCL 211.7CC.**

25 (B) **REAL PROPERTY CLASSIFIED AS RESIDENTIAL REAL PROPERTY**  
26 **UNDER SECTION 34C OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL**  
27 **211.34C.**

1 (C) REAL PROPERTY WITH LESS THAN 4 RENTAL UNITS.

2 (D) REAL PROPERTY CLASSIFIED AS AGRICULTURAL REAL PROPERTY  
3 UNDER SECTION 34C OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL  
4 211.34C.