

HOUSE BILL No. 4589

April 5, 2007, Introduced by Reps. Condino, Byrum, Melton and Accavitti and referred to the Committee on Intergovernmental, Urban and Regional Affairs.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 24 (MCL 211.24), as amended by 2002 PA 620.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 24. (1) On or before the first Monday in March in each
2 year, the assessor shall make and complete an assessment roll, upon
3 which he or she shall set down all of the following:

4 (a) The name and address of every person liable to be taxed in
5 the local tax collecting unit with a full description of all the
6 real property liable to be taxed. If the name of the owner or
7 occupant of any tract or parcel of real property is known, the
8 assessor shall enter the name and address of the owner or occupant
9 opposite to the description of the property. If unknown, the real

1 property described upon the roll shall be assessed as "owner
2 unknown". All contiguous subdivisions of any section that are owned
3 by 1 person, firm, corporation, or other legal entity and all
4 unimproved lots in any block that are contiguous and owned by 1
5 person, firm, corporation, or other legal entity shall be assessed
6 as 1 parcel, unless demand in writing is made by the owner or
7 occupant to have each subdivision of the section or each lot
8 assessed separately. However, failure to assess contiguous parcels
9 as entreties does not invalidate the assessment as made. Each
10 description shall show as near as possible the number of acres
11 contained in it, as determined by the assessor. It is not necessary
12 for the assessment roll to specify the quantity of land comprised
13 in any town, city, or village lot.

14 (b) The assessor shall estimate, according to his or her best
15 information and judgment, the true cash value and assessed value of
16 every parcel of real property and set the assessed value down
17 opposite the parcel.

18 (c) The assessor shall calculate the tentative taxable value
19 of every parcel of real property and set that value down opposite
20 the parcel.

21 (d) The assessor shall determine the percentage of value of
22 every parcel of real property that is exempt from the tax levied by
23 a local school district for school operating purposes to the extent
24 provided under section 1211 of the revised school code, 1976 PA
25 451, MCL 380.1211, and set that percentage of value down opposite
26 the parcel.

27 (e) The assessor shall determine the date of the last transfer

1 of ownership of every parcel of real property occurring after
2 December 31, 1994 and set that date down opposite the parcel.

3 (f) The assessor shall estimate the true cash value of all the
4 personal property of each person, and set the assessed value and
5 tentative taxable value down opposite the name of the person. In
6 determining the property to be assessed and in estimating the value
7 of that property, the assessor is not bound to follow the
8 statements of any person, but shall exercise his or her best
9 judgment. For taxes levied after December 31, 2003, the assessor
10 shall separately state the assessed value and tentative taxable
11 value of any leasehold improvements.

12 (g) Property assessed to a person other than the owner shall
13 be assessed separately from the owner's property and shall show in
14 what capacity it is assessed to that person, whether as agent,
15 guardian, or otherwise. Two or more persons not being copartners,
16 owning personal property in common, may each be assessed severally
17 for each person's portion. Undivided interests in lands owned by
18 tenants in common, or joint tenants not being copartners, may be
19 assessed to the owners.

20 (2) IF THE COMBINED TAXABLE VALUE OF REAL PROPERTY AND
21 PERSONAL PROPERTY OF A TAXPAYER IS GREATER THAN \$1,000,000.00 OR IF
22 THE ASSESSOR ANTICIPATES THAT THE COMBINED TAXABLE VALUE OF REAL
23 PROPERTY AND PERSONAL PROPERTY OF A TAXPAYER THAT WAS NOT ON THE
24 TAX ROLL IN THE IMMEDIATELY PRECEDING TAX YEAR IS GREATER THAN
25 \$1,000,000.00, THE STATE TAX COMMISSION, AT THE ASSESSOR'S REQUEST,
26 SHALL ASSIST THE ASSESSOR IN DETERMINING THE TRUE CASH VALUE,
27 ASSESSED VALUE, AND TENTATIVE TAXABLE VALUE OF THE REAL PROPERTY

1 AND PERSONAL PROPERTY AND ALL OTHER INFORMATION NECESSARY FOR THE
2 ASSESSMENT ROLL UNDER SUBSECTION (1). IF THE STATE TAX COMMISSION
3 ASSISTS IN DETERMINING THE TRUE CASH VALUE, ASSESSED VALUE, AND
4 TENTATIVE TAXABLE VALUE OF THE REAL PROPERTY AND PERSONAL PROPERTY
5 OF A TAXPAYER UNDER THIS SECTION, THE STATE TAX COMMISSION SHALL,
6 AT THE ASSESSOR'S REQUEST, ASSIST IN ANY NEGOTIATIONS WITH THE
7 TAXPAYER REGARDING THAT ASSESSMENT OR ANY APPEAL OF THAT
8 ASSESSMENT.

9 (3) ~~(2)~~—The state geologist, or his or her duly authorized
10 deputy, shall determine, according to his or her best information
11 and judgment, the true cash value of the metallic mining properties
12 and mineral rights consisting of metallic resources that are either
13 producing, developed, or have a known commercial mineral value,
14 including surface rights and personal property that may be used in
15 the operation or development of the property assessed, or any
16 stockpile of ore or mineral stored on the surface. For the purpose
17 of encouraging the exploration and development of metallic mineral
18 resources, metallic mineral ore newly discovered or proven in the
19 ground and not part of the property of an operating mine shall be
20 exempt from the taxes collected under this act for a maximum period
21 of 10 years or until the time it becomes part of the property of an
22 operating mine or it in itself becomes an operating mine. Metallic
23 mineral ore newly discovered or proven in the ground and part of
24 the property of an operating mine shall be exempt from taxes
25 collected under this act until it, in combination with previously
26 discovered metallic mineral ore of the operating mine, comes into a
27 10-year recovery period of the mine as determined by the average

1 normal annual rate of extraction of the mine.

2 (4) ~~(3)~~—An operating mine shall be defined to be an operating
3 mine as of the date of starting of a shaft, stripping of
4 overburden, or rehabilitation, or an abandoned or idle mine closed
5 for not less than 2 years. Ore shall not enjoy more than 10 years'
6 exemption from taxation. This section does not exempt from the
7 taxes collected under this act ore reserves proven as of April 1,
8 1947. It is the intent of this act that mineral properties shall be
9 valued and assessed in the future for ad valorem taxes according to
10 the formula used in the valuation of mineral properties before the
11 effective date of this act. It is the intent of this act that no
12 metallic mineral ore shall be exempt more than 10 years because of
13 the application of this act and if at any time it becomes evident
14 that such is the case, the state tax commission shall determine the
15 value of this untaxed ore and place this valuation on the proper
16 tax roll. The state geologist shall report his or her determination
17 of the true cash value of the mineral properties to the state tax
18 commission on or before February 10 of each year. The state tax
19 commission shall assess the mineral properties containing 20% or
20 more of natural iron per ton of ore in conformity and uniformity
21 with all other property within the assessing district. The state
22 tax commission shall assess all other metallic mineral properties
23 at the value certified by the state geologist. The state tax
24 commission, as early as is practicable before February 20, shall
25 certify the assessment of the property to the assessor of the
26 township or city in which the property is situated, who shall for
27 the mineral properties and mineral rights that are owned separate

1 from the surface rights on the property assess each to the owner at
2 the valuation certified to him or her. However, an adjustment to
3 the value certified by the state tax commission may be made by the
4 assessor of the township or city to reflect any general adjustment
5 of assessed valuation from the immediately preceding year not
6 included in the state tax commission computation. The assessor
7 shall determine the true cash value of the surface rights and
8 assess the value of the surface rights to the owner. The assessment
9 upon the metallic mining properties and mineral rights may be
10 altered from year to year regardless of whether any previous
11 assessment has been reviewed by the state tax commission. The
12 assessor or the owner of any interest in the property assessed may
13 appeal the assessment and valuation of the property as determined
14 by the board of review to the state tax commission which shall
15 review the assessment and valuation as provided in section 152.