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BILL ANALYSIS

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Senate Bill 1527 (as introduced) *(as enrolled)*
Sponsor: Senator Michelle A. McManus

CONTENT

The bill would amend the Property Tax Limitation Act to specify that, if a tax limitation election were held on August 3, 2010, the adopted limitations would first be effective in 2010.

The Act implements Article 9, Section 6 of the State Constitution, which provides that the total amount of general ad valorem taxes imposed on real and personal property in any one year may not exceed 15 mills, although that limit may be increased to 18 if a county's voters approve separate tax limitations totaling not more than 18 mills. (With voter approval, these mills may be increased to an aggregate of 50 mills for up to 20 years.)

Separate tax limitations allocate the mills among the county, townships, and intermediate school districts. The separate tax limitations apply to all subsequent tax levies until they are altered by another vote or the period for which the limitations were approved expires.

Except as otherwise provided, if the tax limitation election is held after April 1 in any year, the adopted limitations first take effect in the following year. The bill would make an exception for limitations adopted at an election held on August 3, 2010, which would take effect in 2010 (rather than 2011).

MCL 211.205i Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on the State. Given that the proposed legislation would only allow for a county tax allocation vote to be taken on a date after April 1, there would be no local fiscal impact.

Date Completed: 10-5-10 Fiscal Analyst: Eric Scorsone