

COMPUTERIZED SETTLEMENT TAX ROLLS

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House Bill 5047

Sponsor: Rep. Harold Haugh

Committee: Local, Intergovernmental, and Regional Affairs

Complete to 10-11-11

A SUMMARY OF HOUSE BILL 5047 AS INTRODUCED 10-6-11

House Bill 5047 would amend the General Property Tax Act (MCL 211.42a) to allow a local tax collection unit to transmit its settlement tax roll to the county treasurer either in a computer printed format or a disk, external drive, or other electronic data processing format.

Now under the law, a local tax collecting unit can use a computerized data base system as the tax roll if either the local unit or the county treasurer obtains written authorization from the state tax commission. To be authorized, the local tax collection unit or the county treasurer must demonstrate that the proposed system will comply with nine requirements, including the capacity to:

- (1) Print an original pre-collection tax roll from the computerized data base that is warranted by the assessor.
- (2) Produce a separate computer printout of all parcel splits and combinations (including sufficient information to document their accuracy) that is prepared and maintained by the assessor until the expiration of any delinquent tax redemption period following a judgment foreclosing property that is forfeited for delinquent taxes.
- (3) Produce a separate computer printout of all corrections and adjustments to the pre-collection tax roll authorized by action of the board of review, the state tax commission, or the tax tribunal (including sufficient information to document their accuracy).
- (4) Produce a final **computer printed** settlement tax roll to certify the taxes collected to the county treasurer.
- (5) Enable the local treasurer to prepare and maintain a journal of the collections totaled and reconciled to the amount of actual collections daily.
- (6) Post a tax payment to the computerized data base system using a transaction or receipt number with the date of payment.
- (7) Demonstrate internal and external security procedures that are sufficient to assure the integrity of the system.
- (8) Enable the local tax collecting unit to make available a posted computer printed tax roll.
- (9) Demonstrate compatibility with the system used by the county treasurer for the collection of delinquent taxes.

House Bill 5047 would retain all of these requirements, but modify number four (4), above, in order to expand the transmittal options. Instead of the requirement to produce a final "computer printed" settlement tax roll to certify to the county treasurer the taxes that have been collected, House Bill 5047 would require that ***"the settlement tax roll transmitted to the county treasurer may be in either a computer printed format or a disk, external drive, or other electronic data processing format."***

FISCAL IMPACT:

As written, the bill would not have any state or local revenue impact, although it might have an indeterminate impact on local government costs.

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