

SUBSTITUTE FOR  
SENATE BILL NO. 1021

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending sections 2150 and 2153 (MCL 324.2150 and 324.2153),  
section 2150 as amended by 1996 PA 585 and section 2153 as amended  
by 2004 PA 513.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2150. (1) ~~On~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**  
2       **(2), ON** December 1 of each year ~~, there shall be paid~~ **THE**  
3       **DEPARTMENT OF TREASURY SHALL PAY** into the treasury of each county  
4       in which are located tax reverted, recreation, ~~or forest, lands~~ **OR**  
5       **OTHER LANDS** under the control and supervision of the department  ~~-~~  
6       ~~and any other lands held by the department, except lands purchased~~  
7       ~~after January 1, 1933 for natural resource purposes, a tax of~~ **IN**  
8       **THE FOLLOWING AMOUNT:**

1           (A) BEFORE DECEMBER 1, 1994, \$2.50 per acre or major portion  
2 of an acre. ~~for years before December 1, 1994 and~~

3           (B) AFTER NOVEMBER 30, 1994 AND BEFORE JANUARY 1, 2012, \$2.00  
4 per acre or major portion of an acre. ~~for years after November 30,~~  
5 ~~1994 on all the lands that belong to this state on December 1 in~~  
6 ~~each year.~~

7           (C) AFTER DECEMBER 31, 2011, \$4.00 PER ACRE OR MAJOR PORTION  
8 OF AN ACRE ADJUSTED ANNUALLY BY 5% OR THE INFLATION RATE, WHICHEVER  
9 IS LESS, WHICH SHALL BE DISTRIBUTED AS PROVIDED IN SUBSECTION (5).  
10 AS USED IN THIS SUBDIVISION, "INFLATION RATE" MEANS THAT TERM AS  
11 DEFINED IN SECTION 34D OF THE GENERAL PROPERTY TAX ACT, 1893 PA  
12 206, MCL 211.34D.

13           (2) THE TAX LEVIED UNDER SUBSECTION (1) DOES NOT APPLY TO THE  
14 FOLLOWING:

15           (A) LANDS PURCHASED AFTER JANUARY 1, 1933 FOR NATURAL RESOURCE  
16 PURPOSES.

17           (B) STATE LANDS ON WHICH PAYMENTS IN LIEU OF TAXES ARE MADE  
18 PURSUANT TO SUBPART 14.

19           (3) The tax ~~imposed~~ LEVIED under this section shall be in lieu  
20 of all other taxes now levied against the state ~~land~~ LANDS under  
21 any existing law. ~~State land on which payments in lieu of taxes are~~  
22 ~~made pursuant to subpart 14 are exempt from this subpart.~~

23           (4) The department of treasury shall make a detailed statement  
24 of account between ~~the~~ THIS state and each county in which ~~the~~  
25 lands SUBJECT TO THE TAX LEVIED UNDER THIS SECTION are situated. ~~7~~  
26 ~~including the descriptions~~ THE STATEMENT SHALL INCLUDE A  
27 DESCRIPTION of the lands. ~~7 and render~~ THE DEPARTMENT OF TREASURY

1 **SHALL SUBMIT** the detailed statement of account to the county  
 2 treasurer of the county. The department of treasury shall cause a  
 3 warrant to be drawn ~~on the state treasurer payable~~ **TO THE COUNTY**  
 4 for the amount indicated on the detailed statement of account. ~~to~~  
 5 ~~be due to the county.~~

6 (5) The county treasurer of each county shall immediately make  
 7 ~~up a~~ detailed statement of ~~the~~ account between the county and each  
 8 township and school district **IN THE COUNTY**, ~~prorating~~ **DISTRIBUTING**  
 9 the amount received by the county **PROPORTIONALLY** according to the  
 10 number of acres of the lands located in each ~~unit~~ **TOWNSHIP AND**  
 11 **SCHOOL DISTRICT**. For disbursements made before December 1, 1994,  
 12 the ~~proration~~ **DISTRIBUTION** shall be 40% to **THE** county general fund,  
 13 40% to **THE** township general fund, and 20% to **THE** school operating  
 14 fund. For disbursements made after November 30, 1994, the ~~proration~~  
 15 **DISTRIBUTION** shall be 50% to the county general fund and 50% to the  
 16 township general fund. The county treasurer shall immediately issue  
 17 his or her warrant to each of the units according to the detailed  
 18 statement of account.

19 (6) ~~(2)~~ The tax on tax reverted, recreation, forest lands, or  
 20 other lands under the control of the department on which payments  
 21 are made under this subpart shall be paid from the general fund.  
 22 **THIS STATE SHALL MAKE PAYMENT IN FULL FOR THE AMOUNT INDICATED IN**  
 23 **THE STATEMENT OF ACCOUNT PREPARED UNDER SUBSECTION (4).**

24 Sec. 2153. (1) For purposes of this subpart, the state tax  
 25 commission shall determine the valuation of real property described  
 26 in section 2152 before February 1 of each year. The state tax  
 27 commission shall determine the valuation of real property as

1 provided in subsection (7).

2 (2) Not later than February 15 of each year, the state tax  
3 commission shall make a report to the assessing districts of this  
4 state in which the real property is located, giving a description  
5 of the real property in the assessing district held by the state  
6 and the valuation as fixed by the state tax commission pursuant to  
7 subsection (7).

8 (3) Except as otherwise provided in subsection (7), the state  
9 tax commission shall furnish a valuation to the assessing officers  
10 that shall be at the same value as other real property is assessed  
11 in the assessment district. In fixing the valuation, the state tax  
12 commission shall not include improvements made to or placed upon  
13 that real property.

14 (4) Upon receipt of the valuation under subsection (3), the  
15 assessing officer shall enter upon the assessment rolls of each  
16 municipality or assessing district the respective descriptions of  
17 the real property and the fixed valuation and, except as otherwise  
18 provided in subsection (5), shall assess that real property for the  
19 purposes of this subpart at the same rate as other real property in  
20 the assessing district. A local taxing unit may by resolution  
21 permanently exempt that real property from any tax levied by that  
22 local taxing unit. As used in this subsection, "local taxing unit"  
23 means a city, village, township, county, school district,  
24 intermediate school district, community college, authority, or any  
25 other entity authorized by law to levy a tax on real property.

26 (5) Except as limited in subsection (6) and as otherwise  
27 provided in subsection (7), the assessing officer may adjust the

1 valuation determined by the state tax commission. If an adjustment  
2 to the valuation certified by the state tax commission is made, the  
3 assessing officer shall certify all of the following to the  
4 department, not later than the first Wednesday after the first  
5 Monday in March:

6 (a) The amount and percentage of any general adjustment of  
7 assessed valuation of property located in the assessing district  
8 other than property described in section 2152.

9 (b) The amount and percentage of any change in the assessment  
10 roll.

11 (c) The relation of the total valuation to that reported by  
12 the state tax commission.

13 (d) The adjusted total of conservation land.

14 (6) The following shall not be included in an adjustment under  
15 subsection (5):

16 (a) Any general adjustment of assessed valuation of property  
17 located in the assessing district.

18 ~~— (b) Assessments for special improvements.~~

19 ~~— (c) Any millage in excess of the millage rate levied in 2004.~~

20 **(B)** ~~(d)~~ The tax levied under the state education tax act, 1993  
21 PA 331, MCL 211.901 to 211.906.

22 (7) ~~Property~~ **BEFORE 2012, PROPERTY** valuations shall be  
23 established as follows:

24 (a) For property valuations established under this subpart in  
25 2004, the 2004 valuation shall be the valuation of the property in  
26 2004 through 2008.

27 (b) In 2009 and each year after 2009, the valuation of

1 property shall not increase each year by more than the increase in  
2 the immediately preceding year in the general price level or 5%,  
3 whichever is less. As used in this subdivision, "general price  
4 level" means that term as defined in section 33 of article IX of  
5 the state constitution of 1963.

6 (c) If property is acquired after 2004, the initial property  
7 valuation determined under this section shall be the valuation for  
8 each subsequent year until the next adjustment under subdivision  
9 (b) occurs.

10 (8) BEGINNING IN 2012, PROPERTY VALUATIONS SHALL BE THE  
11 GREATER OF THE FOLLOWING:

12 (A) THE VALUE OF THE PROPERTY CALCULATED UNDER SUBSECTION (7).

13 (B) THE TAXABLE VALUE OF THE PROPERTY CALCULATED UNDER SECTION  
14 27A OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.27A.