

HOUSE BILL No. 5202

December 12, 2013, Introduced by Reps. McCready, McMillin, Glardon, Crawford, Kesto, Forlini, Dianda, Bumstead, Hooker, McBroom and Kivela and referred to the Committee on Tax Policy.

A bill to amend 1954 PA 188, entitled

"An act to provide for the making of certain improvements by townships; to provide for paying for the improvements by the issuance of bonds; to provide for the levying of taxes; to provide for assessing the whole or a part of the cost of improvements against property benefited; and to provide for the issuance of bonds in anticipation of the collection of special assessments and for the obligation of the township on the bonds,"

by amending section 7 (MCL 41.727), as amended by 1986 PA 180.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The township board may provide that special
2 assessments are payable in 1 or more installments, but the amount
3 of an installment shall not be less than 1/2 of any subsequent
4 installment. **THE TOWNSHIP BOARD MAY PROVIDE THAT SPECIAL ASSESSMENT**
5 **PAYMENTS SHALL BE TREATED IN AND MAY BE PAYABLE AND COLLECTED IN**
6 **THE SAME MANNER AS PROPERTY TAXES IN THE TOWNSHIP.** The amount of
7 each installment, if more than 1, need not be extended upon the

1 special assessment roll until after confirmation of that assessment
2 roll. Subject to the provisions of section 4(4), the amount of
3 installments for improvements subject to periodic cost revision may
4 be extended upon the special assessment roll by the township board
5 without additional public hearings or public notice, provided that
6 additional property is not added to the special assessment roll.

7 (2) The first installment of a special assessment shall be due
8 on or before the time after confirmation as the township board
9 shall fix. Subsequent installments shall be due at intervals of 12
10 months from the due date of the first installment or from a date
11 the township board shall fix.

12 (3) All unpaid installments, prior to their transfer to the
13 township tax roll as provided by this act, shall bear interest,
14 payable annually on each installment due date, at a rate to be set
15 by the township board, not exceeding 1% above the average rate of
16 interest borne by special assessment bonds issued by the township
17 in anticipation of all or part of the unpaid installments; or not
18 exceeding 1% above the average rate of interest borne by bonds
19 issued by a county, drainage district, or authority if the unpaid
20 installments are to be applied to the payment of a contract
21 obligation of the township to the county or authority or to the
22 payment of an assessment obligation of the township to the drainage
23 district; or, if bonds are not issued by the township, a county, a
24 drainage district, or an authority, not exceeding 8% per annum,
25 commencing in each case from a date fixed by the township board.
26 Future due installments of an assessment against any parcel of land
27 may be paid to the township treasurer at any time in full, with

1 interest accrued through the month in which the final installment
2 is paid.

3 (4) If an installment of a special assessment is not paid when
4 due, then the installment shall be considered to be delinquent and
5 there shall be collected, in addition to interest as provided by
6 this section, a penalty at the rate of not more than 1% for each
7 month, or fraction of a month, that the installment remains unpaid
8 before being reported to the township board for reassessment upon
9 the township tax roll.