

Legislative Analysis



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House Bill 4168 (H-1) as reported from committee

Sponsor: Rep. Sam Singh

Committee: Local Government

Complete to (4-15-15)

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 140 of 2015)

BRIEF SUMMARY: The bill would eliminate the requirement that county treasurers make a printed copy of the tax rolls available for inspection, if the tax roll is maintained on a computerized database.

FISCAL IMPACT: As written, the bill could reduce costs for local units whose computerized tax rolls already meet the nine state requirements. These costs amount to the printing and storage of the required hard copies. There would be no impact on state revenues or costs.

THE APPARENT PROBLEM:

The General Property Tax Act requires that each of Michigan's 83 county treasurers annually print-out copies of their tax roll—before and after adjustments—and have those printed copies available for inspection by citizens, even if their tax roll is maintained on a computerized database.

Specifically, the law now requires three separate printouts: one that reflects the pre-collection tax roll; a second that reflects all parcel splits and combinations; and a third that lists all corrections and adjustments to the pre-collection tax roll adopted by the most recent local boards of review.

The documents that must be printed and made available for inspection are unwieldy to work with, sometimes inches, or even feet, thick. Further, retention of the documents poses storage problems.

Legislation has been introduced to eliminate the annual requirement that hard copies of both the "before" and "after" property tax rolls be printed by local treasurers when their tax rolls are maintained on a computerized database.

THE CONTENT OF THE BILL:

House Bill 4168 (H-1) would amend the General Property Tax Act to eliminate the requirement that county treasurers make printed copies of their tax rolls available for inspection, if the tax roll is maintained on a computerized database.

Now under the law, the State Tax Commission must authorize the use of a computerized data base system as the tax roll if the local tax collecting unit or the county treasurer demonstrates that the proposed system has the capacity to enable compliance with nine state requirements. House Bill 4168 would retain five of those requirements, but eliminate

in their entirety the four requirements that printed copies be available of (1) the "original pre-collection tax roll," (2) a separate printout of "all parcel splits and combinations," (3) "a separate computer printout of all corrections and adjustments to the pre-collection tax roll authorized the by the board of review," and (4) the requirement to make available "a posted computer printed tax roll."

The bill would take effect 90 days after the date it was enacted into law.

MCL 211.42a

BACKGROUND INFORMATION:

A substantially similar bill—House Bill 5102—unanimously passed the House of Representatives during the 2013-2014 legislative session with 109 'yea' votes and 0 'nay' votes. The bill died in the Senate Committee on Local Government and Elections at the end of the two-year legislative session.

ARGUMENTS:

For:

The requirement to provide for inspection a "hard copy" of the local tax roll—both before and after the local boards of review meet each spring—is outdated and costly. Instead, the tax roll database can be searched by citizens electronically online, far more easily and efficiently. This provision of the law is so unwieldy, those who propose to eliminate it say they suspect there is little compliance statewide. This legislation allows an opportunity to rid the statute of a provision that lags behind current practice, while retaining both transparency and accountability for citizens.

POSITIONS:

The Michigan Association of County Treasurers supports the bill. (3-11-15)

The Michigan Municipal League supports the bill. (3-11-15)

The Michigan Townships Association supports the bill. (3-11-15)

The Michigan Association of Counties supports the bill. (3-11-15)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.