



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 615 (as reported without amendment)
Sponsor: Senator Wayne Schmidt
Committee: Judiciary

CONTENT

The bill would amend the Revised Judicature Act to prohibit a judgment against a governmental entity that was assessed and collected as a tax from being attributed or transmitted to, or retained or captured by, any other governmental entity for any other purpose.

Section 6093 of the Act establishes the method of recovery of a judgment against a city, village, township, or county, and Section 6094 establishes the method of recovery of a judgment against a school district or intermediate school district. Those sections require the appropriate assessing officer to assess the amount of the judgment upon the taxable property of the municipality or district.

The bill specifies that a judgment entered against a governmental entity under Section 6093 or 6094 that was assessed and collected as a tax under that section, and any specific local tax attributable to the judgment, could not be attributed or transmitted to or retained or captured by any other governmental entity for any other purpose.

The bill would apply retroactively to all judgments entered after May 6, 2015.

Proposed MCL 600.6094a

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no net impact on local revenue, but would in some local circumstances reallocate revenue captured under a tax increment financing plan from the tax increment financing authority to a municipality levying a judgment levy.

Date Completed: 12-2-15

Fiscal Analyst: Elizabeth Pratt