

# SENATE BILL No. 537

October 1, 2015, Introduced by Senators JONES and BOOHER and referred to the Committee on Finance.

A bill to amend 1973 PA 186, entitled  
"Tax tribunal act,"  
by amending sections 21, 22, 25, 32, 34, 35a, 47, 49, 51, and 62  
(MCL 205.721, 205.722, 205.725, 205.732, 205.734, 205.735a,  
205.747, 205.749, 205.751, and 205.762), section 22 as amended by  
2008 PA 127, sections 32 and 35a as amended and section 47 as added  
by 2008 PA 125, section 34 as amended by 1980 PA 437, section 49 as  
amended by 2008 PA 126, and section 62 as amended by 2008 PA 128.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 21. (1) The tax tribunal is created and is a quasi-  
2       judicial agency which, for administrative purposes only, is in the  
3       department of ~~treasury~~. **LICENSING AND REGULATORY AFFAIRS.**

4       (2) The tribunal consists of 7 members appointed by the  
5       governor, with the advice and consent of the senate, for terms of 4

1 ~~years. The 2 additional members first appointed by this amendatory~~  
2 ~~act shall first serve for 3 years. WHEN MAKING AN APPOINTMENT, THE~~  
3 ~~GOVERNOR SHALL CONSIDER A LIST OF QUALIFIED CANDIDATES SOLICITED~~  
4 ~~FROM AT LEAST 1 APPROPRIATE PROFESSIONAL ASSOCIATION LOCATED AND~~  
5 ~~PRIMARILY OPERATING IN THIS STATE.~~

6 (3) A member may be reappointed and a vacancy shall be filled  
7 for an unexpired term in the same manner as the appointment is made  
8 for a full term.

9 (4) THE GOVERNOR SHALL DESIGNATE A MEMBER AS CHAIRPERSON. THE  
10 CHAIRPERSON SHALL SERVE AT THE PLEASURE OF THE GOVERNOR.

11 (5) THE GOVERNOR MAY REMOVE A MEMBER, AFTER NOTICE AND AN  
12 OPPORTUNITY TO BE HEARD, FOR FAILURE TO SUBSTANTIALLY PERFORM HIS  
13 OR HER DUTIES UNDER THIS ACT, MALFEASANCE, MISFEASANCE, OR  
14 NONFEASANCE IN OFFICE, OR OTHER GOOD CAUSE.

15 (6) MEMBERS SHALL RECEIVE TRAINING ON MATTERS RELEVANT TO THE  
16 WORK OF THE TRIBUNAL, INCLUDING, BUT NOT LIMITED TO, PROPER  
17 COURTROOM PROCEDURES AND STATE AND LOCAL TAX ISSUES.

18 Sec. 22. (1) SUBJECT TO SUBSECTION (2), ALL OF THE FOLLOWING  
19 APPLY TO TRIBUNAL MEMBERSHIP:

20 (A) The members of the tribunal shall be citizens of the  
21 United States and residents of this state.

22 (B) At least 2 members shall be attorneys admitted to practice  
23 in this state who have been engaged for at least 5 years  
24 immediately preceding the appointment in active government,  
25 corporate, or private practice dealing with federal and state or  
26 local tax matters, including property taxes, or in the discharge of  
27 a judicial or quasi-judicial office.

(C) At least 1 member shall be a certified assessor holding the highest level of certification granted by the state assessors board. **TAX COMMISSION.**

(D) At least 1 member shall be a professional real estate appraiser holding a recognized certification indicating competence in the valuation of complex income producing and residential property of the type subject to property taxation, with a certification having required a review of sample appraisals and 5 years of experience as an appraiser.

(E) At least 1 member shall be a certified public accountant with 5 years of experience in state or local tax matters.

(F) Appointees who are not attorneys, certified assessors, professional real estate appraisers, or certified public accountants shall have at least 5 years of experience in state or local tax matters.

(2) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION AND CONTINUING THEREAFTER, AN APPOINTEE TO THE TRIBUNAL MUST QUALIFY FOR TRIBUNAL MEMBERSHIP AS AN ATTORNEY, CERTIFIED ASSESSOR, OR CERTIFIED PUBLIC ACCOUNTANT UNDER SUBDIVISION (A), (B), OR (C). ANY MEMBER WHO DOES NOT MEET THE QUALIFICATIONS OF SUBDIVISION (A), (B), OR (C) ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION IS SERVING IN HIS OR HER LAST TERM AS A MEMBER OF THE TRIBUNAL. APPOINTMENTS MADE AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION SHALL, AS SOON AS REASONABLY POSSIBLE, RESULT IN A TRIBUNAL WHOSE MEMBERSHIP IS, AND TRIBUNAL MEMBERSHIP SHALL CONTINUE THEREAFTER TO BE, AS FOLLOWS:

1           (A) FIVE MEMBERS WHO ARE ATTORNEYS ADMITTED TO PRACTICE IN  
2 THIS STATE AND WHO HAVE BEEN ENGAGED FOR AT LEAST 5 YEARS  
3 IMMEDIATELY PRECEDING THE APPOINTMENT IN ACTIVE GOVERNMENT,  
4 CORPORATE, OR PRIVATE PRACTICE DEALING WITH FEDERAL AND STATE OR  
5 LOCAL TAX MATTERS, INCLUDING PROPERTY TAXES, OR IN THE DISCHARGE OF  
6 A JUDICIAL OR QUASI-JUDICIAL OFFICE.

7           (B) ONE MEMBER WHO IS A CERTIFIED ASSESSOR HOLDING THE HIGHEST  
8 LEVEL OF CERTIFICATION GRANTED BY THE STATE TAX COMMISSION AND WHO  
9 HAS BEEN ENGAGED FOR AT LEAST 5 YEARS AS AN ASSESSOR FOR A TAX  
10 ASSESSING UNIT.

11           (C) ONE MEMBER WHO IS A CERTIFIED PUBLIC ACCOUNTANT WITH AT  
12 LEAST 5 YEARS OF EXPERIENCE IN STATE OR LOCAL TAX MATTERS.

13           (3) ~~(2)~~—Each member shall take and subscribe to the  
14 constitutional oath of office before entering on the discharge of  
15 his or her duties.

16           (4) ~~(3)~~—Each member shall ~~devote his or her entire time to,~~  
17 ~~and personally perform the duties of ,~~his or her office, ~~and shall~~  
18 ~~not engage in other business or professional activity for~~  
19 ~~remuneration.~~INCLUDING, BUT NOT LIMITED TO, THE MAINTENANCE OF HIS  
20 OR HER DOCKET AS ASSIGNED AND DIRECTED BY THE CHAIRPERSON AND IN  
21 ACCORDANCE WITH RULES PRESCRIBED UNDER SECTION 32. EXCEPT AS  
22 OTHERWISE PROVIDED IN THIS SUBSECTION, A MEMBER SHALL NOT ENGAGE IN  
23 ANY OTHER GAINFUL EMPLOYMENT OR BUSINESS OR PROFESSIONAL ACTIVITY  
24 FOR REMUNERATION, OR HOLD ANY OTHER OFFICE IN OR ENGAGE IN ANY  
25 OTHER PROFITABLE UNDERTAKING WITH ANY GOVERNMENTAL ENTITY OF THIS  
26 STATE, ANOTHER STATE, OR THE UNITED STATES. ADDITIONALLY, A MEMBER  
27 SHALL NOT ACT AS AN ATTORNEY, REPRESENTATIVE, OR ACCOUNTANT FOR

1 OTHERS IN A MATTER INVOLVING ANY TAX IMPOSED OR LEVIED BY THIS  
2 STATE OR ANY OF ITS POLITICAL SUBDIVISIONS. HOWEVER, A MEMBER MAY  
3 DO ANY OF THE FOLLOWING:

4 (A) OWN PASSIVE INTERESTS IN BUSINESS ENTITIES.

5 (B) EARN INCOME FROM INCIDENTAL TEACHING OR SCHOLARLY  
6 ACTIVITIES.

7 (C) RECEIVE COMPENSATION FOR EXTRAJUDICIAL ACTIVITIES  
8 DESCRIBED IN CANON 4 OF THE MICHIGAN CODE OF JUDICIAL CONDUCT IF  
9 THE RECEIPT OF THAT COMPENSATION DOES NOT CREATE AN APPEARANCE OF  
10 IMPROPRIETY, INCLUDING, BUT NOT LIMITED TO, AN APPEARANCE THAT THE  
11 SOURCE OF THAT COMPENSATION INFLUENCED THE MEMBER IN THE  
12 PERFORMANCE OF HIS OR HER DUTIES.

13 (D) ACT PROFESSIONALLY ON HIS OR HER OWN BEHALF, INCLUDING,  
14 BUT NOT LIMITED TO, AS HIS OR HER OWN ATTORNEY OR ACCOUNTANT.

15 (E) PROVIDE PROFESSIONAL SERVICES TO FAMILY MEMBERS,  
16 INCLUDING, BUT NOT LIMITED TO, LEGAL, ACCOUNTING, AND TAX SERVICES,  
17 SO LONG AS HE OR SHE IS NOT PAID FOR THOSE SERVICES.

18 (5) ~~(4) Each~~ BEFORE JANUARY 1, 2017, EACH member shall receive  
19 an annual salary as determined by law. ~~and~~ AFTER DECEMBER 31, 2016,  
20 EACH MEMBER WHO WORKS FOR THE TRIBUNAL FULL TIME, AS DETERMINED BY  
21 THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, SHALL RECEIVE  
22 AN ANNUAL SALARY NOT LESS THAN THE ANNUAL SALARY PAID TO AN  
23 ADMINISTRATIVE LAW MANAGER OR EQUIVALENT CIVIL SERVICE  
24 CLASSIFICATION. EACH MEMBER WHO WORKS FOR THE TRIBUNAL PART TIME,  
25 AS DETERMINED BY THE DEPARTMENT OF LICENSING AND REGULATORY  
26 AFFAIRS, SHALL RECEIVE AN ANNUAL PRO RATA SALARY PROPORTIONATE TO  
27 THE SALARY OF A MEMBER WHO WORKS FULL TIME. IN ADDITION TO HIS OR

1 HER ANNUAL SALARY, EACH MEMBER shall be reimbursed for his or her  
2 actual and necessary expenses at the rate determined by the  
3 administrative board. AS USED IN THIS SUBSECTION, "ACTUAL AND  
4 NECESSARY EXPENSES" INCLUDES, BUT IS NOT LIMITED TO, FEES INCURRED  
5 FOR THE RENEWAL OF RELEVANT AND APPROPRIATE PROFESSIONAL LICENSES  
6 AND MEMBERSHIPS IN ASSOCIATIONS LOCATED IN THIS STATE.

7 (6) THE GOVERNOR MAY, WITH THE ADVICE AND CONSENT OF THE  
8 SENATE, APPOINT NOT MORE THAN 3 MEMBERS OF THE TRIBUNAL PRO TEMPORE  
9 IF IT APPEARS TO THE GOVERNOR THAT THE SERVICES OF AN ADDED MEMBER  
10 OR MEMBERS ARE ADVISABLE. A PRO TEMPORE MEMBER SHALL BE QUALIFIED  
11 FOR MEMBERSHIP UNDER THIS SECTION AND IS SUBJECT TO THE DUTIES AND  
12 LIMITATIONS OF A MEMBER OF THE TRIBUNAL UNDER THIS ACT. A PRO  
13 TEMPORE MEMBER SHALL BE APPOINTED FOR NOT MORE THAN 12 MONTHS,  
14 UNLESS REAPPOINTED BY THE GOVERNOR. PRO TEMPORE MEMBERS APPOINTED  
15 UNDER THIS SUBSECTION DO NOT COUNT TOWARD THE NUMBER OF MEMBERS  
16 APPOINTED UNDER SECTION 21.

17 (7) ON MOTION OF A PARTY TO A PROCEEDING OR A TRIBUNAL MEMBER  
18 ASSIGNED TO THE PROCEEDING, OR BY ORDER OF THE CHAIRPERSON, A  
19 MEMBER ASSIGNED TO THE PROCEEDING MAY BE DISQUALIFIED FOR ANY  
20 REASON LISTED IN MCR 2.003(C)(1). A MOTION FOR DISQUALIFICATION BY  
21 A PARTY TO THE PROCEEDING SHALL BE REVIEWED AND EITHER APPROVED OR  
22 DENIED BY THE TRIBUNAL MEMBER PRESIDING OVER THE PROCEEDING. IF THE  
23 MOTION IS DENIED, THE MOVING PARTY MAY APPEAL TO THE CHAIRPERSON  
24 UNLESS THE CHAIRPERSON IS PRESIDING OVER THE PROCEEDING. IF THE  
25 CHAIRPERSON IS PRESIDING OVER THE PROCEEDING, AN APPEAL SHALL  
26 INSTEAD BE RANDOMLY ASSIGNED TO ANOTHER MEMBER WHO IS QUALIFIED  
27 UNDER SECTION 22 AS AN ATTORNEY. DISQUALIFICATION MAY BE WAIVED

1 WITH THE CONSENT OF ALL PARTIES AND SHALL BE IN WRITING OR PLACED  
2 ON THE RECORD.

3 Sec. 25. (1) The principal office of the tribunal and its  
4 chief clerk shall be in the city of Lansing. ~~and the department~~  
5 ~~of administration~~ **IN ADDITION, THE TRIBUNAL MAY OPERATE SUCH**  
6 **REGIONAL OFFICES ACROSS THIS STATE AS THE CHAIRPERSON CONSIDERS**  
7 **NECESSARY. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**  
8 shall furnish suitable accommodations and equipment ~~there~~ **IN THESE**  
9 **PRINCIPAL AND REGIONAL OFFICES.**

10 (2) Subject to appropriations, ~~therefor~~, the tribunal shall  
11 have ~~such~~ **THE** legal, technical, and secretarial assistance ~~as~~ **THAT**  
12 the ~~chairman deems~~ **CHAIRPERSON CONSIDERS** necessary.

13 (3) A clerk or employee of the tribunal shall not provide  
14 legal, accounting, or technical assistance relevant to a federal,  
15 state, or local tax matter, or to any other matter of which the  
16 tribunal may acquire jurisdiction.

17 (4) Salaries and expenses of the tribunal shall be paid as  
18 provided by law.

19 Sec. 32. The tribunal's powers include, but are not limited  
20 to, all of the following:

21 (a) Affirming, reversing, modifying, or remanding a final  
22 decision, finding, ruling, determination, or order of an agency.

23 (b) Ordering the payment or refund of taxes in a matter over  
24 which it may acquire jurisdiction.

25 (c) Granting other relief or issuing writs, orders, or  
26 directives that it deems necessary or appropriate in the process of  
27 disposition of a matter over which it may acquire jurisdiction.

(d) Promulgating rules ~~for the implementation of~~ **TO IMPLEMENT** this act ~~, including rules for practice and procedure before the tribunal and for mediation as provided in section 47, under~~ **PURSUANT TO** the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, ~~-INCLUDING, BUT NOT LIMITED TO, RULES FOR THE~~ **FOLLOWING:**

(i) **PRACTICE AND PROCEDURE BEFORE THE TRIBUNAL.**

(ii) **MEDIATION UNDER SECTION 47, INCLUDING, BUT NOT LIMITED TO, RULES THAT PROVIDE A SPECIFIC PROCESS AND TIMELINE FOR THOSE MEDIATION ACTIVITIES DESCRIBED IN SECTION 47(5) AND (6).**

(iii) **ETHICAL STANDARDS GOVERNING THE CONDUCT OF TRIBUNAL MEMBERS. A TRIBUNAL MEMBER SHALL COMPLY WITH THESE ETHICAL STANDARDS, IN ADDITION TO ALL OTHER LAWS, RULES, AND STANDARDS APPLICABLE TO HIS OR HER CONDUCT PROFESSIONALLY OR OTHERWISE.**

(iv) **INITIAL TRAINING REQUIREMENTS FOR NEWLY APPOINTED TRIBUNAL MEMBERS.**

(v) **CONTINUING TRAINING REQUIREMENTS FOR ALL TRIBUNAL MEMBERS.**

(vi) **GUIDELINES AND POLICIES GOVERNING DOCKET MAINTENANCE BY TRIBUNAL MEMBERS.**

(e) Mediating a proceeding before the tribunal.

(f) Certifying mediators to facilitate claims in the court of claims and in the tribunal.

Sec. 34. (1) ~~One~~ **FOR A PROCEEDING OTHER THAN ONE BEFORE THE RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION CREATED IN SECTION 61, 2 or more members of the tribunal may** ~~may~~ **SHALL** hear and decide ~~proceedings.~~ **THE PROCEEDING, SUBJECT TO THE FOLLOWING:**

(A) **THE CHAIRPERSON SHALL ASSIGN TO EACH PROCEEDING AT LEAST 1**



1 TRIBUNAL MEMBER WHO IS QUALIFIED UNDER SECTION 22 AS AN ATTORNEY.  
2 SUBJECT TO SUBDIVISIONS (B) AND (C), THE CHAIRPERSON SHALL ALSO  
3 ASSIGN 1 TRIBUNAL MEMBER WHO IS OTHERWISE QUALIFIED UNDER SECTION  
4 22.

5 (B) IF A TRIBUNAL MEMBER DOES NOT MEET THE ATTORNEY  
6 QUALIFICATIONS UNDER SECTION 22, HE OR SHE SHALL NOT PRESIDE OVER  
7 THE PROCEEDING. HOWEVER, HE OR SHE MAY OTHERWISE FULLY PARTICIPATE  
8 IN THE PROCEEDING AND MAY PRESIDE OVER ANY PREHEARING CONFERENCE AS  
9 ASSIGNED.

10 (C) ALL OF THE FOLLOWING APPLY TO THE DECISION AND OPINION FOR  
11 THE PROCEEDING:

12 (i) THE ATTORNEY TRIBUNAL MEMBER WHO IS ASSIGNED TO THE  
13 PROCEEDING UNDER SUBDIVISION (A) SHALL OFFER AN INITIAL DECISION  
14 AND OPINION IN THE FORM PRESCRIBED BY SECTION 51(1).

15 (ii) THE NONATTORNEY TRIBUNAL MEMBER WHO IS ASSIGNED TO THE  
16 PROCEEDING UNDER SUBDIVISION (A) SHALL REVIEW THE INITIAL DECISION  
17 AND OPINION AND SHALL DO 1 OF THE FOLLOWING:

18 (A) CONCUR WITHOUT SEPARATE OPINION.

19 (B) CONCUR WITH A SEPARATE OPINION PROVIDED IN WRITING.

20 (C) DISSENT WITH AN OPINION PROVIDED IN WRITING.

21 (iii) IF A DISSENT IS PROVIDED UNDER SUBPARAGRAPH (ii) (C), THE  
22 CHAIRPERSON SHALL RANDOMLY ASSIGN BY LOT A THIRD TRIBUNAL MEMBER TO  
23 THE PROCEEDING, WHO SHALL DECIDE THE OUTCOME OF THE PROCEEDING AND  
24 MAY DO SO WITH A SEPARATE OPINION PROVIDED IN WRITING.

25 (2) The tribunal shall sit at places throughout ~~the~~ THIS state  
26 as the tribunal determines. The county board of commissioners for  
27 the county in which the tribunal is sitting, except when the

1 tribunal is sitting in the city of Lansing **OR IN A REGIONAL OFFICE**  
2 **ESTABLISHED UNDER SECTION 25(1)**, shall provide the tribunal with  
3 suitable accommodations and equipment on request of the  
4 chairperson.

5 (3) The business ~~which~~ **THAT** the tribunal may perform shall be  
6 conducted at a public meeting ~~on~~ **OF** the tribunal held in compliance  
7 with ~~Act No. 267 of the Public Acts of 1976, as amended.~~ **THE OPEN**  
8 **MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.** Public notice of  
9 the time, date, and place of the meeting shall be given in the  
10 manner required by ~~Act No. 267 of the Public Acts of 1976, as~~  
11 ~~amended.~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

12 Sec. 35a. (1) ~~The provisions of this~~ **THIS** section ~~apply~~  
13 **APPLIES** to a proceeding before the tribunal that is commenced after  
14 December 31, 2006.

15 (2) A proceeding before the tribunal is original and  
16 independent and is considered de novo.

17 (3) Except as otherwise provided in this section or by law,  
18 for an assessment dispute as to the valuation or exemption of  
19 property, the assessment must be protested before the board of  
20 review before the tribunal acquires jurisdiction of the dispute  
21 under subsection (6).

22 (4) In the 2007 tax year and each tax year after 2007, all of  
23 the following apply:

24 (a) For an assessment dispute as to the valuation or exemption  
25 of property classified under section 34c of the general property  
26 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
27 industrial real property, or developmental real property, the

1 assessment may be protested before the board of review or appealed  
2 directly to the tribunal without protest before the board of review  
3 as provided in subsection (6).

4 (b) For an assessment dispute as to the valuation or exemption  
5 of property classified under section 34c of the general property  
6 tax act, 1893 PA 206, MCL 211.34c, as commercial personal property,  
7 industrial personal property, or utility personal property, the  
8 assessment may be protested before the board of review or appealed  
9 directly to the tribunal without protest before the board of review  
10 as provided in subsection (6), if a statement of assessable  
11 property is filed under section 19 of the general property tax act,  
12 1893 PA 206, MCL 211.19, prior to the commencement of the board of  
13 review for the tax year involved.

14 (c) For an assessment dispute as to the valuation of property  
15 that is subject to taxation under 1974 PA 198, MCL 207.551 to  
16 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651  
17 to 207.668, the enterprise zone act, 1985 PA 224, MCL 125.2101 to  
18 125.2123, the technology park development act, 1984 PA 385, MCL  
19 207.701 to 207.718, the obsolete property rehabilitation act, 2000  
20 PA 146, MCL 125.2781 to 125.2797, the commercial rehabilitation  
21 act, 2005 PA 210, MCL 207.841 to 207.856, or 1953 PA 189, MCL  
22 211.181 to 211.182, the assessment may be protested before the  
23 board of review or appealed directly to the tribunal without  
24 protest before the board of review as provided in subsection (6).  
25 This subdivision does not apply to property that is subject to the  
26 neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to  
27 207.786.

1           (5) For a dispute regarding a determination of a claim of  
2 exemption of a principal residence or qualified agricultural  
3 property for a year in which the July or December board of review  
4 has authority to determine a claim of exemption for a principal  
5 residence or qualified agricultural property, the claim of  
6 exemption shall be presented to either the July or December board  
7 of review before the tribunal acquires jurisdiction of the dispute.  
8 For a special assessment dispute, the special assessment shall be  
9 protested at the hearing held for the purpose of confirming the  
10 special assessment roll before the tribunal acquires jurisdiction  
11 of the dispute.

12           (6) The jurisdiction of the tribunal in an assessment dispute  
13 as to property classified under section 34c of the general property  
14 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,  
15 industrial real property, developmental real property, commercial  
16 personal property, industrial personal property, or utility  
17 personal property is invoked by a party in interest, as petitioner,  
18 filing a written petition on or before May 31 of the tax year  
19 involved. The jurisdiction of the tribunal in an assessment dispute  
20 as to property classified under section 34c of the general property  
21 tax act, 1893 PA 206, MCL 211.34c, as agricultural real property,  
22 residential real property, timber-cutover real property, or  
23 agricultural personal property is invoked by a party in interest,  
24 as petitioner, filing a written petition on or before July 31 of  
25 the tax year involved. ~~In~~ **BEFORE JANUARY 1, 2017, IN** all other  
26 matters, the jurisdiction of the tribunal is invoked by a party in  
27 interest, as petitioner, filing a written petition within 35 days

1 after the final decision, ruling, or determination. ~~AN~~**AFTER**  
 2 **DECEMBER 31, 2016, IN ALL OTHER MATTERS, THE JURISDICTION OF THE**  
 3 **TRIBUNAL IS INVOKED BY A PARTY IN INTEREST, AS PETITIONER, FILING A**  
 4 **WRITTEN PETITION WITHIN 90 DAYS AFTER THE FINAL DECISION, RULING,**  
 5 **OR DETERMINATION. BEFORE JANUARY 1, 2017, AN** appeal of a contested  
 6 tax bill shall be made within 60 days after mailing by the  
 7 assessment district treasurer. ~~and the appeal~~**AFTER DECEMBER 31,**  
 8 **2016, AN APPEAL OF A CONTESTED TAX BILL SHALL BE MADE WITHIN 90**  
 9 **DAYS AFTER MAILING BY THE ASSESSMENT DISTRICT TREASURER. IN ALL**  
 10 **CASES, THE APPEAL OF A CONTESTED TAX BILL** is limited solely to  
 11 correcting arithmetic errors or mistakes and is not a basis of  
 12 appeal as to disputes of valuation of the property, the property's  
 13 exempt status, or the property's equalized value resulting from  
 14 equalization of its assessment by the county board of commissioners  
 15 or the state tax commission. Service of the petition on the  
 16 respondent shall be by certified mail. For an assessment dispute,  
 17 service of the petition shall be mailed to the assessor of that  
 18 local tax collecting unit if the respondent is the local tax  
 19 collecting unit. Except for petitions filed under chapter 6, a copy  
 20 of the petition shall also be sent to the secretary of the school  
 21 board in the local school district in which the property is located  
 22 and to the clerk of any county that may be affected.

23 (7) A petition is considered filed on or before the expiration  
 24 of the time period provided in this section or by law if 1 or more  
 25 of the following occur:

26 (a) The petition is postmarked by the United States ~~postal~~  
 27 ~~service~~**POSTAL SERVICE** on or before the expiration of that time

1 period.

2 (b) The petition is delivered in person on or before the  
3 expiration of that time period.

4 (c) The petition is given to a designated delivery service for  
5 delivery on or before the expiration of that time period and the  
6 petition is delivered by that designated delivery service or, if  
7 the petition is not delivered by that designated delivery service,  
8 the petitioner establishes that the petition was given to that  
9 designated delivery service for delivery on or before the  
10 expiration of that time period.

11 (8) A petition required to be filed by a day during which the  
12 offices of the tribunal are not open for business shall be filed by  
13 the next business day.

14 (9) A petition or answer may be amended at any time by leave  
15 of the tribunal and in compliance with its rules. If a tax was paid  
16 while the determination of the right to the tax is pending before  
17 the tribunal, the taxpayer may amend his or her petition to seek a  
18 refund of that tax.

19 (10) A person or legal entity may appear before the tribunal  
20 in his or her own behalf or may be represented by an attorney or by  
21 any other person.

22 (11) As used in this section, "designated delivery service"  
23 means a delivery service provided by a trade or business that is  
24 designated by the tribunal for purposes of this subsection. The  
25 tribunal shall issue a tribunal notice not later than December 31  
26 in each calendar year designating not less than 1 delivery service  
27 for the immediately succeeding calendar year. The tribunal may

1 designate a delivery service only if the tribunal determines that  
2 the delivery service meets all of the following requirements:

3 (a) Is available to the general public.

4 (b) Is at least as timely and reliable on a regular basis as  
5 the United States ~~postal service~~. **POSTAL SERVICE.**

6 (c) Records electronically to a database kept in the regular  
7 course of business or marks on the petition the date on which the  
8 petition was given to the delivery service for delivery.

9 (d) Any other requirement the tribunal prescribes.

10 Sec. 47. (1) A person may apply to the tribunal to be  
11 certified as a mediator. Certification is for a period of 1 year.  
12 The application shall be in a form prescribed by the tribunal. A  
13 tribunal member or hearing officer may not be certified as a  
14 mediator.

15 (2) The tribunal shall ~~promulgate rules under the~~  
16 ~~administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to~~  
17 ~~24.328, that~~ establish requirements for an applicant to be  
18 certified as a mediator. Whether an applicant meets the established  
19 requirements to be certified as a mediator shall be solely  
20 determined by the tribunal. The requirements for certification as a  
21 mediator shall include, but are not limited to, 5 years of state  
22 and local tax experience that occurred within 7 years immediately  
23 preceding submission of the application. If an applicant satisfies  
24 the requirements established by the tribunal, the tribunal shall  
25 certify that applicant as a mediator. The tribunal may charge each  
26 mediator certified by the tribunal an annual certification fee, as  
27 determined by the tribunal.

1 (3) The tribunal shall maintain a list of certified mediators  
2 available to conduct a mediation described in section 32. The list  
3 shall be published and shall indicate all of the following:

4 (a) The hourly rate charged by the mediator for his or her  
5 mediation services.

6 (b) The type of tax the mediator is certified to mediate.

7 (c) A summary of the mediator's experience and training.

8 (d) The forum in which the mediator is certified to practice.

9 (4) A mediator shall disclose to all parties any conflict of  
10 interest that may exist before agreeing to mediate a dispute.

11 (5) The tribunal shall mediate a proceeding in which it has  
12 exclusive and original jurisdiction under section 31 if all of the  
13 following conditions are satisfied:

14 (a) The parties have filed with the tribunal a stipulation  
15 that they agree to participate in mediation, **OR THE TRIBUNAL HAS**  
16 **ORDERED MEDIATION.**

17 (b) The parties agree to a mediator **OR, IF THE TRIBUNAL**  
18 **ORDERED MEDIATION UNDER SUBDIVISION (A), THE TRIBUNAL SHALL SET A**  
19 **DATE BY WHICH THE PARTIES ARE TO HAVE CONFERRED ON THE SELECTION OF**  
20 **A MEDIATOR. IF THE PARTIES DO NOT INFORM THE TRIBUNAL OF THEIR**  
21 **SELECTION OF AN AGREED-UPON MEDIATOR BY THAT DATE, THE TRIBUNAL**  
22 **SHALL ASSIGN A MEDIATOR.**

23 (c) The tribunal issues an order designating the proceeding  
24 for mediation.

25 (6) The tribunal shall appoint the mediator agreed to by the  
26 parties **OR ASSIGNED BY THE TRIBUNAL UNDER SUBSECTION (5) (B).** A  
27 mediator has no authoritative decision-making power to resolve a



1 dispute in mediation. The mediator shall report the results of the  
2 mediation to the tribunal. If an agreement is reached in a  
3 proceeding before the tribunal, the tribunal shall accept the  
4 agreement if it meets the tribunal's requirements.

5 (7) Statements made during a mediation conference, including  
6 statements made in written submissions, shall not be used and are  
7 not admissible in any other proceedings, including trial. Any  
8 statements, written submissions or materials, or communications  
9 between the parties or counsel of the parties and the mediator  
10 relating to the mediation are confidential and shall not be  
11 disclosed without the written consent of all parties and are not  
12 subject to the disclosure requirements of the freedom of  
13 information act, 1976 PA 442, MCL 15.231 to 15.246, except for the  
14 following:

15 (a) The report of the mediator. The report shall be in a form  
16 prescribed by the tribunal.

17 (b) Information reasonably required by tribunal personnel to  
18 administer and evaluate the mediation program under this section.

19 (c) Information necessary for the tribunal to resolve disputes  
20 regarding the mediator's fee.

21 (d) Consent judgments.

22 (8) A mediation conference is not a meeting of a public body  
23 for purposes of the open meetings act, 1976 PA 267, MCL 15.261 to  
24 15.275.

25 (9) The tribunal may charge a fee for mediation.

26 Sec. 49. (1) The tribunal by rule shall prescribe filing fees  
27 and other fees to be paid in connection with a proceeding before

1 the tribunal. The fees shall be paid to the clerk of the tribunal  
2 and by order of the tribunal may be taxed as costs.

3 (2) The residential property and small claims division of the  
4 tribunal shall not charge fees or costs on appeals of principal  
5 residence property as defined in rules promulgated by the tax  
6 tribunal.

7 (3) The Michigan tax tribunal fund is created in the  
8 department of ~~labor and economic growth~~ **LICENSING AND REGULATORY**  
9 **AFFAIRS** as a separate interest bearing fund. All fees collected  
10 pursuant to this act shall be deposited in the Michigan tax  
11 tribunal fund. **IN ADDITION, BEGINNING IN FISCAL YEAR 2017 AND EACH**  
12 **YEAR THEREAFTER, \$3,500,000.00 SHALL BE DEPOSITED IN THE FUND.** The  
13 state treasurer shall direct the investment of the Michigan tax  
14 tribunal fund. Money in the Michigan tax tribunal fund shall remain  
15 in the Michigan tax tribunal fund at the close of the fiscal year  
16 and shall not revert to the general fund. Money in the Michigan tax  
17 tribunal fund shall be used solely for operation of the tribunal.

18 Sec. 51. (1) A decision and opinion of the tribunal **IS SUBJECT**  
19 **TO ALL OF THE FOLLOWING:**

20 (A) **THE DECISION AND OPINION** shall be **PRECEDED WITH AN INITIAL**  
21 **DECISION, AS DESCRIBED IN SECTION 34(1)(C)(i), THAT SHALL BE** made  
22 ~~within a reasonable period,~~ **3 MONTHS AFTER THE LAST BRIEF IS FILED**  
23 **FOLLOWING COMPLETION OF THE HEARING OR, IF BRIEFS ARE NOT FILED**  
24 **FOLLOWING COMPLETION OF THE HEARING, WITHIN 3 MONTHS AFTER**  
25 **COMPLETION OF THE HEARING. THE CHAIRPERSON MAY EXTEND THE 3-MONTH**  
26 **PERIOD FOR NOT MORE THAN 1 ADDITIONAL MONTH. THE INITIAL DECISION**  
27 **SHALL SERVE AS THE DECISION AND OPINION OF THE TRIBUNAL IF 1 OF THE**

1 FOLLOWING OCCURS:

2 (i) NOT MORE THAN 1 MONTH AFTER THE INITIAL DECISION IS MADE  
3 AS PROVIDED IN THIS SUBDIVISION, A CONCURRENCE UNDER SECTION  
4 34(1)(C)(ii)(A) OR (B) IS SUBMITTED.

5 (ii) NOT MORE THAN 1 MONTH AFTER THE INITIAL DECISION IS MADE  
6 AS PROVIDED IN THIS SUBDIVISION, A DISSENT UNDER SECTION  
7 34(1)(C)(ii)(C) IS SUBMITTED, AND NOT MORE THAN 1 MONTH AFTER THAT  
8 DISSENT IS SUBMITTED, A DISPOSITIVE VOTE UNDER SECTION  
9 34(1)(C)(iii) IS SUBMITTED.

10 (B) THE DECISION AND OPINION shall be in writing or stated in  
11 the record, and shall include a concise statement of facts and  
12 conclusions of law, stated separately. ~~and, upon~~

13 (C) UPON order of the tribunal, THE DECISION AND OPINION shall  
14 be officially reported and published.

15 (2) A TRIBUNAL MEMBER'S LACK OF ADHERENCE TO THE TIMELINE  
16 DESCRIBED IN SUBSECTION (1)(A) MAY BE CONSIDERED FOR PURPOSES OF A  
17 REMOVAL DECISION UNDER SECTION 21(5).

18 (3) ~~(2)~~—If the implementation of a decision of the tribunal  
19 would have the effect of delaying collection of taxes in a taxing  
20 unit due to the time of the year in which the decision is rendered,  
21 the tribunal shall not order immediate implementation of the  
22 decision without consent of all the taxing units involved, but  
23 shall order any required adjustment in rate by the taxing unit or  
24 units be made in the following tax year.

25 Sec. 62. (1) The residential property and small claims  
26 division created in section 61 has jurisdiction over a proceeding,  
27 otherwise cognizable by the tribunal, in which residential property

1 is exclusively involved. ~~Property~~ **BEFORE JANUARY 1, 2017, PROPERTY**  
2 other than residential property may be included in a proceeding  
3 before the residential property and small claims division if the  
4 amount of that property's taxable value or state equalized  
5 valuation in dispute is not more than \$100,000.00. ~~The~~ **ALSO BEFORE**  
6 **JANUARY 1, 2017, THE** residential property and small claims division  
7 ~~also~~ has jurisdiction over a proceeding involving an appeal of any  
8 other tax over which the tribunal has jurisdiction if the amount of  
9 the tax in dispute is \$20,000.00 or less, adjusted annually by the  
10 inflation rate. **AFTER DECEMBER 31, 2016, PROPERTY OTHER THAN**  
11 **RESIDENTIAL PROPERTY MAY BE INCLUDED IN A PROCEEDING BEFORE THE**  
12 **RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION IF THE AMOUNT OF**  
13 **THAT PROPERTY'S TAXABLE VALUE OR STATE EQUALIZED VALUATION IN**  
14 **DISPUTE IS NOT MORE THAN \$250,000.00. ALSO AFTER DECEMBER 31, 2016,**  
15 **THE RESIDENTIAL PROPERTY AND SMALL CLAIMS DIVISION HAS JURISDICTION**  
16 **OVER A PROCEEDING INVOLVING AN APPEAL OF ANY OTHER TAX OVER WHICH**  
17 **THE TRIBUNAL HAS JURISDICTION IF THE AMOUNT OF THE TAX IN DISPUTE**  
18 **IS \$100,000.00 OR LESS, ADJUSTED ANNUALLY BY THE INFLATION RATE.** As  
19 used in this subsection, "inflation rate" means the ratio of the  
20 general price level for the state fiscal year ending in the  
21 calendar year immediately preceding the current year divided by the  
22 general price level for the state fiscal year ending in the  
23 calendar year before the year immediately preceding the current  
24 year.

25 (2) A person or legal entity entitled to proceed under section  
26 31, and whose proceeding meets the jurisdictional requirements of  
27 subsection (1), may elect to proceed before either the residential

1 property and small claims division or the entire tribunal. A formal  
2 record of residential property and small claims division  
3 proceedings is not required. Within ~~20~~21 days after a hearing  
4 officer or referee issues a proposed order, a party may file  
5 exceptions to the proposed order. The tribunal shall review the  
6 exceptions to determine if the proposed order shall be adopted as a  
7 final order. Upon a showing of good cause or at the tribunal's  
8 discretion, the tribunal may modify the proposed order and issue a  
9 final order or hold a rehearing by a tribunal member. A rehearing  
10 is not limited to the evidence presented before the hearing officer  
11 or referee.

12 (3) Except as otherwise provided in this subsection, the  
13 residential property and small claims division shall meet in the  
14 county in which the property in question is located or in a county  
15 contiguous to the county in which the property in question is  
16 located. A petitioner-appellant shall not be required to travel  
17 more than 100 miles from the location of the property in question  
18 to the hearing site, except that a rehearing by a tribunal member  
19 shall be at a site determined by the tribunal. By leave of the  
20 tribunal and with the mutual consent of all parties, a residential  
21 property and small claims division proceeding may take place at a  
22 location mutually agreed upon by all parties or may take place by  
23 the use of amplified telephonic or video conferencing equipment.

24 (4) The tribunal shall make a short form for the simplified  
25 filing of residential property and small claims appeals.

26 (5) In a proceeding before the residential property and small  
27 claims division for property other than residential property, if

1 the amount of taxable value or state equalized valuation in dispute  
2 is greater than \$20,000.00, or in nonproperty matters if the amount  
3 in dispute is greater than \$1,000.00, the filing fee is the amount  
4 that would have been paid if the proceeding was brought before the  
5 entire tribunal and not the residential property and small claims  
6 division.

7 (6) As used in this chapter, "residential property" means any  
8 of the following:

9 (a) Real property exempt under section 7cc of the general  
10 property tax act, 1893 PA 206, MCL 211.7cc.

11 (b) Real property classified as residential real property  
12 under section 34c of the general property tax act, 1893 PA 206, MCL  
13 211.34c.

14 (c) Real property with less than 4 rental units.

15 (d) Real property classified as agricultural real property  
16 under section 34c of the general property tax act, 1893 PA 206, MCL  
17 211.34c.

18 Enacting section 1. This amendatory act takes effect January  
19 1, 2017.