

EXTEND ADMININSTRATIVE DEADLINES FOR PERSONAL PROPERTY TAX EXEMPTION

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Senate Bill 380 (as passed by the Senate)

Sponsor: Sen. Dave Hildenbrand

House Committee: Tax Policy

Senate Committee: Finance

Complete to 6-6-17

(Enacted as Public Act 102 of 2017)

BRIEF BACKGROUND:

Senate Bill 380 is companion legislation to the recently enacted Public Act 42 of 2017 (originally Senate Bill 359). SB 359 extended the filing deadline for taxpayers seeking a personal property tax (PPT) exemption; the deadline was extended to May 31, 2017, for 2017 only. In order to accommodate this filing extension, SB 380 would amend the Local Community Stabilization Authority Act to extend several deadlines related to the calculations and payments to municipalities. The same sequence of legislative extensions took place in 2016 (PAs 108 and 124).

SUMMARY:

Senate Bill 380 would amend the Local Community Stabilization Authority Act (MCL 123.1354 through 123.1357) to extend deadlines related to the Department of Treasury's administrative role in calculating PPT exemption losses and the Local Community Stabilization Authority's role in making payments for PPT exemptions to local units of government.

The bill changes the following deadlines for the Department of Treasury:

- From November 7, 2016, to **November 7, 2017**, and each September 7 thereafter, the date by which Treasury must make certain calculations for each municipality's personal property exemption loss.
- From November 7, 2016, to **November 7, 2017**, and each September 7 thereafter, the date by which Treasury must make certain calculations for each county, township, village, city, or authority that provides essential services.
- From September 7, 2016, to **November 7, 2017**, and each September 7 thereafter, the date by which Treasury must make certain calculations for the small taxpayer exemption loss for each municipality that is not a local school district, intermediate school district, or tax increment finance authority.
- From August 15, 2016, to **November 7, 2017**, and each August 15 thereafter, the date by which Treasury must make certain calculations for each local school district's personal property exemption loss.
- From August 15, 2016, to **November 7, 2017**, and each August 15 thereafter, the date by which Treasury must make certain calculations for each intermediate school district's personal property exemption loss.

The bill changes the following deadlines for the Local Community Stabilization Authority to make payments:

- From November 20, 2016, to **November 20, 2017**, and thereafter September 20 of the year the millage is levied, the payment for county allocated millage.
- From November 20, 2016, to **November 20, 2017**, and thereafter October 20 of the year the millage is levied, the payment for other millages.

FISCAL IMPACT:

As written, the bill should not have any state or local fiscal impact, although by extending the deadlines by which the Department of Treasury must make the necessary calculations to determine the reimbursement by the Local Community Stabilization Authority, local units of government will see a delay in their reimbursements.

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