

# Legislative Analysis

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## **ELECTION NOTICE FOR PROPOSED TAX RATE LIMITATION INCREASE**

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 5801 (H-1) as reported from committee**  
**Sponsor: Rep. Kathy Crawford**  
**Committee: Tax Policy**  
**Complete to 12-4-18**

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

*(Enacted as Public Act 659 of 2018)*

### **SUMMARY:**

House Bill 5801 would amend the Property Tax Limitation Act to modify election notice requirements for a proposal to increase the total tax rate limitation of a local unit of government.

Section 6 of Article IX of the state constitution limits the total amount of property taxes that certain local units may levy, but also allows these limitations to be increased to a certain extent if approved by the voters of the applicable local unit. Section 3 of the Property Tax Limitation Act establishes procedures for such an election.

Currently, the notice published by the county clerk of an election on the question of such an increase must contain a statement by the county treasurer of the total of all voted increases in the total tax rate limitation, in any local units, that affect the taxable property in the local unit voting on the increase, and the years those increases are effective.

The bill would remove this requirement and instead would require that the notice of election must include a statement of both of the following:

- The amount, in dollars per thousands of dollars of taxable value, by which the total tax rate limitation in the local unit is proposed to be increased.
- The number of years the increase would be effective.

The bill would also add a reference to the section of the Michigan Election Law that establishes general procedures and requirements for the publication of election notices.

MCL 211.203

### **FISCAL IMPACT:**

Because the bill would simply replace one content requirement with a similar one, it should not have any state or local fiscal impacts.

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