

Legislative Analysis



ELECTION NOTICE FOR PROPOSED TAX RATE LIMITATION INCREASE

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

House Bill 5801 as introduced
Sponsor: Rep. Kathy Crawford
Committee: Tax Policy
Complete to 9-4-18

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

SUMMARY:

House Bill 5801 would amend the Property Tax Limitation Act to modify the information required to be included in a notice of election concerning 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 may be levied by certain local units of government, and also provides conditions under which these limitations may be increased if approved by the voters of the applicable local unit. Section 3 of the Property Tax Limitation Act establishes the procedures for such an election.

Currently, the notice published by the county clerk of an election on the question of a tax limitation increase must contain a statement by the county treasurer of the total of all voted increases to 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 would instead require that the notice of election must include a statement of all of the following:¹

- 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 intended purpose of the increased tax rate limitation.

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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■ 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.

¹ The content that the bill would require for election notices for a proposed tax rate limitation increase is nearly identical to that now required to be included on ballots that contain such a proposal.