

Legislative Analysis



CODIFICATION OF EXECUTIVE ORDER 2020-87

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

House Bill 5824 as enacted
Public Act 251 of 2020
Sponsor: Rep. Jim Ellison

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

House Bill 5825 as enacted
Public Act 297 of 2020
Sponsor: Rep. Gregory Markkanen

1st House Committee: Local Government and Municipal Finance
2nd House Committee: Ways and Means
Senate Committee: Finance
Complete to 5-13-21

SUMMARY:

House Bills 5824 and 5825 amend the State Board of Equalization Act and the General Property Tax Act, respectively. Taken together, the bills offer an extension to the deadlines for boards of review and county equalization in the state.

On March 10, 2020, Michigan's first patient tested positive for COVID-19, at which time Governor Whitmer declared a statewide state of emergency. On April 1, she issued an executive order expanding the earlier order and declaring both a state of emergency and a state of disaster across the state. On May 14, she signed an order¹ to temporarily extend the deadlines for boards of review, county equalization, and tax tribunal jurisdiction.

The bills are intended to codify that order into statute.

House Bill 5824

Under the State Board of Equalization Act, county boards of commissioners meet in April to equalize assessment rolls and must complete that task by the first Monday in May. Likewise, the director of the tax or equalization department of each county must transmit a certified tabular statement on the value and classification of personal property by city and township to the State Tax Commission by the first Monday in May, to be transmitted to the State Board of Equalization.

The bill adopts the timeline set forth in Executive Order 2020-87, so that the county boards of commissioners were to meet by May 15, 2020, and the tabular statements be transmitted to the State Tax Commission by May 18, 2020. The bill states that these are one-time extensions.

MCL 209.5

¹ Executive Order 2020-87, issued May 14, 2020: <http://www.legislature.mi.gov/documents/2019-2020/executiveorder/pdf/2020-EO-87.pdf>

House Bill 5825

Under the bill, beginning April 6, 2020, and continuing through December 31, 2020, all of the following apply to the collection of property taxes levied in 2020:

- As long as a review of assessments has been completed and a completed 2020 assessment roll has been delivered to the director of a county tax or equalization department by the time the bill takes effect, they will be considered timely. Also, if the director of a county tax or equalization department does not receive a certified assessment roll from a board of review, the county must equalize based on the assessment roll prepared by the assessor.
- As described in HB 5824, the tasks typically required by the first Monday in May have their deadlines extended until May 15 and May 18, respectively. (The meetings to determine county equalized value must follow the requirements in the Open Meetings Act, including, if applicable, provisions concerning meetings held electronically.)
- Boards of review that are not able to complete their duties in the usual time frame must meet on the Tuesday following the third Monday in July to hear protests, and must issue decisions on specified matters by September 1, 2020.
 - Boards must provide notice of their meetings as required by the Open Meetings Act (including, if applicable, notices required for meetings held electronically) and must allow residents to file protests without requiring personal appearances.
 - An owner that disputes the classification of a parcel may protest the assigned classification at the July meeting, after notifying the assessor.
 - An owner or assessor that did not file and appeal at the March 2020 board of review may appeal a classification decision at the July meeting by filing a petition with the State Tax Commission by September 1, 2020.

The bill states that it does not provide for a rehearing or reconsideration by a July board of review of a protest, request, or other property tax matter that was previously denied by a March board of review.

The bill states that these time extensions are automatic and that taxpayers and local officials are entitled to them without filing any additional forms with, or otherwise contacting, the Department of Treasury, State Tax Commission, or State Tax Tribunal.

The bill is retroactive to April 6, 2020.

MCL 211.33a

FISCAL IMPACT:

Because the bills codify existing practices, there would be no state or local fiscal impact.

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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.