

TAX ON LOW GRADE IRON ORE (EXCERPT)
Act 77 of 1951

211.624 Minimum specific tax; entering land descriptions on separate roll; spreading and collecting specific tax; return and sale of property for nonpayment of taxes; valuation; property located in more than 1 township; distribution and use of sums collected; specific tax in lieu of ad valorem tax; determining proportion for disbursement and attribution of taxes; payment.

Sec. 4. (1) If the specific tax determined under section 3 is less than the specific tax determined under section 2, then section 2 shall govern.

(2) The township supervisor shall remove from the list of land descriptions assessed and taxed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, the land descriptions of property taxed under this act, and shall enter the land descriptions on a separate roll. The township supervisor shall spread the specific tax against the property and the township treasurer shall collect the specific tax at the same time, in the same manner, and subject to the same collection charges as general property taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. Property listed and taxed under this act shall be subject to return and sale for nonpayment of taxes in the same manner, at the same time, and under the same penalties as property returned and sold for nonpayment of taxes levied under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. A valuation shall not be determined for a description listed under this act and the property shall not be considered by the county board of commissioners or by the state board of equalization in connection with county or state equalization for taxation purposes. If a low grade iron ore mining property is located in more than 1 township, the state geologist shall determine the portion attributable to each township. Except as provided in subsections (5) and (6), sums collected under this act shall be distributed by the township treasurer to school districts, this state, and to local governmental units in the same proportion as the general property taxes are distributed. The amounts distributed may be used by the school districts and local governmental units for operating expenses, for capital improvements, and for the accumulation of reserves in a building and site fund or for the payment of interest or principal on bonds.

(3) The tax provided in this act shall be in lieu of an ad valorem tax on any of the following:

- (a) The low grade iron ore.
- (b) The low grade iron ore mining property.
- (c) The mining of the low grade iron ore mining property.
- (d) The production of iron ore pellets or other concentrated or agglomerated products.
- (e) The iron ore pellets or other concentrated or agglomerated merchantable products.
- (f) Land occupied by or used in connection with the mining, transportation, and beneficiation of the ore and shipping of iron ore pellets or other concentrated or agglomerated merchantable products.

(4) For specific taxes levied after 1993, to determine the proportion for the disbursement of taxes under this section and for attribution of taxes under subsection (5) for the specific taxes collected pursuant to this act, the number of mills levied for local school district operating purposes to be used in the calculation shall equal the number of mills for local school district operating purposes levied in 1993 minus the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, for the year for which the disbursement is calculated.

(5) For specific taxes levied after 1993 and school operating purposes, the amount that would otherwise be disbursed to a local school district shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) The proceeds of the specific tax levied under subsection (1) beginning December 31, 2001 through December 31, 2006 shall be distributed as follows:

(a) To school districts and local governmental units the same amount that they would have been entitled to receive if the specific tax rate were 1.1%.

(b) After the distribution under subdivision (a) is made, the remaining proceeds shall be deposited into the state school aid fund.

History: 1951, Act 77, Imd. Eff. May 28, 1951;—Am. 1959, Act 147, Eff. Mar. 19, 1960;—Am. 1961, Act 21, Imd. Eff. May 10, 1961;—Am. 1978, Act 537, Imd. Eff. Dec. 21, 1978;—Am. 1987, Act 277, Imd. Eff. Jan. 6, 1988;—Am. 1994, Act 367, Imd. Eff. Dec. 27, 1994;—Am. 2002, Act 443, Imd. Eff. June 17, 2002.

Compiler's note: Section 2 of Act 277 of 1987 provides:

"This act shall be known and cited as the 'James Goulette iron ore recovery act of 1987'."

Sec. 4, as amended by Act 324 of 1993, did not take effect pursuant to the terms of the act.

For transfer of powers and duties of department of environmental quality to department of natural resources and environment, see E.R.O. No. 2009-31, compiled at MCL 324.99919.