

**THE REVISED SCHOOL CODE (EXCERPT)**

**Act 451 of 1976**

PART 26

SCHOOL TAXES

**380.1611 Certification of school property taxes; approval of city governing body; assessment, spread, and collection of taxes; remittance of collections; expenses; limitations; powers and duties of city officers; school taxes as lien; penalties, interest, and collection charges.**

Sec. 1611. (1) Upon the approval of the city governing body before January 1, 1983, the board of a school district or intermediate school district situated in whole or in part in a city may certify either the total or 1/2 of the levy of school property taxes on the city portion of the school district or intermediate school district. If certified, or if approval of the city governing body is not given before January 1, 1983 and a city agrees or elects pursuant to section 1613 to collect either the total or 1/2 of the levy of school taxes on the taxable property of the city portion of the school district or intermediate school district, the appropriate officials of that city in which the school district or intermediate school district is located shall assess, spread, and collect these school taxes and shall remit the collections to the school district or intermediate school district as provided in Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws.

(2) Except where a city assessed and collected school taxes pursuant to this section prior to December 31, 1974, reasonable expenses incurred by the city in assessing and collecting the school taxes, to the extent that those expenses are in addition to the expenses of assessing and collecting other taxes at the same time and, except as otherwise agreed to by the city and school district or intermediate school district, exceed the amount of any fee and charge imposed by the city on collection of the school taxes, shall be billed to and paid by the school board of education or intermediate school board. However, if these additional reasonable expenses are allowed by this section to a city exercising its option under section 1613(3), the following limitations shall apply:

(a) These additional reasonable expenses shall not exceed the amount specified in the statement required by section 1613(4)(b) as the actual cost of collection in addition to fees and charges authorized by section 1613(4)(g) that the treasurer of the school district, intermediate school district, or county has determined to be imposed.

(b) The total reasonable expenses, without deduction because the expense is part of the expense of assessing and collecting other taxes at the same time and including fees and charges imposed by the city on the collection of the school taxes, shall not exceed the amount specified in the statement required by section 1613(4)(b) as the aggregate amount of the costs of collection the district has determined to incur itself or the county treasurer may receive from district payments and from fees and charges imposed pursuant to section 1613(4)(g).

(3) In proceedings for the assessment, spreading, and collection of taxes for school purposes in the school district or intermediate school district, and for the receipt and disbursement of money belonging to the school district or intermediate district, the city assessing officer, city clerk, and city treasurer of the city in which the school district or intermediate school district is situated shall have like powers and duties as prescribed by the laws of this state for township supervisors, township clerks, and township treasurers.

(4) School taxes collected by a city shall become a lien against the property on which assessed in the same manner and on the same date as city taxes or, if the city approves the collection of school taxes on a date other than the date it collects the city taxes, on July 1. The school taxes which are collected with the city taxes shall be subject to the same penalties, interest, and collection charges as city taxes and shall be returned as delinquent to the county treasurer in the same manner and with the same interest, penalties, and fees as city taxes are returned. School taxes collected by a city pursuant to this section on a date other than a date it collects city taxes shall be subject to the same fees and charges a city may impose under section 44 of Act No. 206 of the Public Acts of 1893, being section 211.44 of the Michigan Compiled Laws. School taxes collected pursuant to this section on or before September 14 of each year by a city that collects school taxes on a date other than the date it collects city taxes shall be without interest, but such taxes collected after September 14 in each year shall bear interest at the rate imposed by section 59 of Act No. 206 of the Public Acts of 1893, being section 211.59 of the Michigan Compiled Laws, on delinquent property tax levies which became a lien in the same year. All interest and penalties that are imposed prior to the date these taxes are returned delinquent and that are attributable to school taxes other than collection fees shall belong to the school district or intermediate school district. The collection fees if imposed shall be retained by the city.

**History:** 1976, Act 451, Imd. Eff. Jan. 13, 1977;—Am. 1977, Act 20, Imd. Eff. May 27, 1977;—Am. 1981, Act 87, Imd. Eff. July 2, 1981;—Am. 1982, Act 333, Imd. Eff. Dec. 16, 1982.

**Popular name:** Act 451

**380.1612 Certification of school property taxes; approval of township board; preparing and furnishing assessment and tax rolls; collection warrant; collection and remittance; expenses; limitations; school taxes as lien; fees and charges; interest and penalties; applicable law.**

Sec. 1612. (1) Upon the approval of a township board before January 1, 1983, the board of a school district or intermediate school district may certify either the total or 1/2 of the levy of school property taxes on the township portion of the school district or intermediate school district. If certified, or if approval of the township board is not given before January 1, 1983 and pursuant to section 1613 a township elects or agrees to collect either the total or 1/2 of the total school taxes of a school district or intermediate school district located in the township, the township supervisor before June 30 of each year shall prepare the assessment and tax rolls and furnish these rolls to each affected township treasurer with the supervisor's collection warrant attached thereto. Each township treasurer shall proceed to collect the taxes and remit the collections to the school district or intermediate school district as provided in Act No. 206 of the Public Acts of 1893, as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws. Except where a township assessed and collected school taxes pursuant to this section prior to December 31, 1974, reasonable expenses incurred by the township in assessing and collecting the school taxes, to the extent that the expenses are in addition to the expenses of assessing and collecting any other taxes at the same time and, except as otherwise agreed to by the township and school district or intermediate school district, exceed the amount of any fees and charges imposed by the township on collection of the school taxes, shall be billed to and paid by the school board or intermediate school board. However, if these additional reasonable expenses are allowed by this section to a township exercising its option under section 1613(3), the following limitations shall apply:

(a) These additional reasonable expenses shall not exceed the amount specified in the statement required by section 1613(4)(b) as the actual cost of collection in addition to fees and charges authorized by section 1613(4)(g) that the treasurer of the school district, intermediate school district, or county has determined to be imposed.

(b) The total reasonable expenses, without deduction because the expense is part of the expense of assessing and collecting other taxes at the same time and including fees and charges imposed by the township on the collection of the school taxes, shall not exceed the amount specified in the statement required by section 1613(4)(b) as the aggregate amount of the costs of collection the district has determined to incur itself or the county treasurer may receive from district payments and from fees and charges imposed pursuant to section 1613(4)(g).

(2) School taxes collected by a township shall become a lien against the property on which assessed on July 1. Taxes collected on or before September 14 in each year shall be without interest. Taxes collected after September 14 of any year shall bear interest at the rate imposed by section 59 of Act No. 206 of the Public Acts of 1893, being section 211.59 of the Michigan Compiled Laws, on delinquent property tax levies which became a lien in the same year. The school taxes which are collected by a township shall be subject to the same fees and charges the township may impose under section 44 of Act No. 206 of the Public Acts of 1893, being section 211.44 of the Michigan Compiled Laws. All interest and penalties, other than collection fees, that are imposed prior to the date these taxes are returned delinquent and that are attributable to school taxes shall belong to the school district or intermediate school district. Interest and, to the extent permitted by section 44 of Act No. 206 of the Public Acts of 1893, fees shall be included in the delinquent tax rolls returned to the county treasurer as of March 1 of each year.

(3) Act No. 206 of the Public Acts of 1893, as amended, shall apply to proceedings in relation to the assessment, spreading, and collection of taxes for school purposes in the school district or intermediate school district, and to the powers and duties of the township supervisor and the township treasurer.

**History:** 1976, Act 451, Imd. Eff. Jan. 13, 1977;—Am. 1977, Act 20, Imd. Eff. May 27, 1977;—Am. 1982, Act 333, Imd. Eff. Dec. 16, 1982.

**Popular name:** Act 451

**380.1613 Imposition of summer property tax levy; resolution; applicability; agreement to collect summer levy; request; notice of meeting; negotiation of reasonable collection expenses; collection of summer property tax levy by school district; notice; option to reconsider; applicable law; delivery of certified copy of assessment roll; cost; bonding; duration of agreement; current school tax collection fund; deposits and withdrawals;**

**investment of surplus money; annual report; transfer or appropriation of fund money; using surplus to reduce costs; deferring collection of summer property taxes against certain property; publication and assistance requirements.**

Sec. 1613. (1) By adoption of a resolution of its board before February 1, 1983, or before January 1 in any year thereafter, a school district or intermediate school district may determine to impose a summer property tax levy, which resolution by its terms may be applicable until revoked by the board of the school district or intermediate school district or for levies in any year specified therein. For each year such a resolution applies the school district or intermediate school district that has adopted the resolution shall request, before February 1, 1983 or before January 1 in any year thereafter, each city and township in which it is located to agree to collect the summer levy in that year of either the total or 1/2, as specified in the resolution, of the school property taxes. Notice of the meeting of the respective school district board or intermediate school district board at which this resolution will be offered for adoption shall be published by the district, not less than 6 days before holding the meeting, in a newspaper of general circulation in the school district or intermediate school district. This notice shall specify the time, date, and place of the public meeting, shall be not less than 8 vertical inches and 4 horizontal inches, shall be in not less than 12-point type, shall be preceded by a headline in not less than 18-point type stating "Notice of a public meeting to institute a summer property tax levy", shall contain a concise statement of the contents and purpose of the proposed resolution, and shall not be placed in that portion of the newspaper reserved for legal notices and classified advertisements. Upon receipt of the request, the governing body of the city or township shall negotiate the reasonable expenses for collection of the school district's or intermediate school district's summer property tax levy that the city or township may bill under section 1611 or 1612. If a city or township and the school district or intermediate school district reach an agreement within 30 days of receipt of the district's request for the collection of the district's summer property tax levy, including an agreement to the amount of reasonable expenses that the city or township may bill under section 1611 or 1612, section 1611 shall govern the other terms of a city's agreement and section 1612 shall govern the other terms of a township's agreement.

(2) If a city or township and the school district or intermediate school district fail to reach an agreement pursuant to subsection (1) for the collection of the summer property tax levy of a school district or intermediate school district subject to subsection (3), the school district or intermediate school district then may negotiate, until April 1, a proposed agreement with the county treasurer to collect its summer property tax levy against property located in that city or township. If a proposed agreement with the county treasurer has not been reached by April 1, the school district or intermediate school district may determine to serve as the property tax collecting unit and collect its own summer property tax levy against property in that city or township.

(3) If, pursuant to subsection (2), the school district or intermediate school district has determined to collect its own summer property tax levy or has reached a proposed agreement with a county treasurer on the collection of its summer property tax levy against property located in a city or township with which an agreement to collect this levy could not be made pursuant to subsection (1), the school district shall notify by April 15 that city or township of the terms of the statement required by subsection (4)(b) and the city or township shall have 15 days in which to exercise an option to collect the school district's or intermediate school district's summer property tax levy pursuant to the terms of section 1611 or 1612.

(4) Collection of all or part of a school district's or intermediate school district's property tax levy by a county treasurer or by the school district or intermediate school district shall comply with all of the following:

(a) Collection shall be either 1/2 or the total of the property tax levy against the properties, as specified for that year in the resolution of the district.

(b) The actual cost of the collection which the school district or intermediate school district has agreed to incur itself or to pay the county treasurer that is in addition to any fees imposed pursuant to subdivision (g), and the aggregate amount of costs of collection the district has agreed to incur or the county treasurer may receive from district payments and from fees and charges imposed pursuant to subdivision (g) shall be stated in writing and reported to the state treasurer.

(c) Before June 30 the county treasurer or, if the district is collecting its own summer property tax levy, the treasurer of the school district or intermediate school district shall spread the taxes being collected in terms of millages on the assessment roll, assess the amount of tax levied in proportion to the state equalized valuation, and prepare a tax roll which commands the appropriate treasurer to collect on July 1 the taxes indicated as due on the tax roll.

(d) Taxes authorized to be collected shall become a lien against the property on which assessed, and due from the owner of that property, on July 1.

(e) Taxes shall be collected on or before September 14 and all taxes and interest imposed pursuant to

subdivision (f) unpaid before March 1 shall be returned as delinquent on March 1. Taxes delinquent under this subdivision shall be collected pursuant to Act No. 206 of the Public Acts of 1893, as amended.

(f) Interest shall be added to taxes collected after September 14 at that rate imposed by section 59 of Act No. 206 of the Public Acts of 1893, being section 211.59 of the Michigan Compiled Laws, on delinquent property tax levies which became a lien in the same year.

(g) All or a portion of fees or charges, or both, authorized under section 44 of Act No. 206 of the Public Acts of 1893, being section 211.44 of the Michigan Compiled Laws, may be imposed on taxes paid before March 1 and shall be retained by the treasurer actually performing the collection of the summer property tax levy of the school district or intermediate school district, regardless of whether all or part of these fees or charges, or both, have been waived by the township or city.

(5) An agreement for the collection of a summer property tax levy of a school district or intermediate school district with a county treasurer shall include a schedule for delivering collections to the school district or intermediate school district.

(6) To the extent applicable and consistent with the requirements of this section, the provisions of Act No. 206 of the Public Acts of 1893, shall apply to proceedings in relation to the assessment, spreading, and collection of taxes pursuant to this section. Additionally, in relation to the assessment, spreading, and collection of taxes pursuant to this section, the county treasurer or, if the district is collecting its own summer property tax levy, the treasurer of the school district or intermediate school district shall have powers and duties similar to those prescribed by Act No. 206 of the Public Acts of 1893, for township supervisors, township clerks, and township treasurers. However, this section shall not be considered to transfer any authority over the assessment of property.

(7) If a county treasurer or the treasurer of a school district or intermediate school district collects the summer property tax levy of the district, the township or city shall deliver by June 1 a certified copy of the assessment roll containing state equalized valuations for each parcel of taxable property in the township or city to the treasurer collecting the summer property tax levy of the school district or intermediate school district. The county treasurer or the treasurer of a school district or intermediate school district receiving this certified copy of the assessment roll shall remit the necessary cost incident to the reproduction of the assessment roll to the township or city.

(8) A county treasurer or treasurer of a school district or intermediate school district collecting taxes pursuant to this section shall be bonded for tax collection in the same amount and in the same manner as a township treasurer would be for undertaking the duties prescribed by this section.

(9) An agreement for the collection of a summer property tax levy between a school district or intermediate school district and a county may cover summer collections for 2 years. If an agreement covers summer collections for 2 years, the resolution and request required by subsection (1), the notice required by subsection (2), and the option to reconsider provided by subsection (3) shall not apply for summer collections in the second year.

(10) If collections are made pursuant to this section by a county treasurer or by the treasurer of a school district or intermediate school district, all payments from a school district or intermediate school district for collecting its summer property tax levy and all revenues generated from collection fees shall be deposited, when received or collected, in a current school tax collection fund, which fund shall be used by the county treasurer or treasurer of the school district or intermediate school district to pay for the cost of collecting the district's summer property tax levy. The current school tax collection fund shall be segregated from all other funds and once the current school tax collection fund has been established money shall not be withdrawn except upon an order, check, or draft of the collecting treasurer for the purpose of paying 1 or more of the following costs:

(a) The cost of special deputy treasurers and equipment directly involved in the collection of current property taxes.

(b) The cost of all services determined necessary by the collecting treasurer to collect the summer property tax levy of the school district or intermediate school district.

(c) The contract payments to any person, firm, or corporation employed by the collecting treasurer to assist in the collection of the current property taxes.

(11) All surplus money in a current school tax collection fund shall be invested by the collecting treasurer in any investment authorized by Act No. 20 of the Public Acts of 1943, being sections 129.91 to 129.93 of the Michigan Compiled Laws. The county treasurer and the treasurer of a school district or intermediate school district shall publish, on March 1 of the year after the treasurer first collects the summer property tax levy of a school district or intermediate school district and each year thereafter, an annual report on the status of the fund for the last year ending December 31. The report shall show the total charges, expenses, and year-end surplus.

(12) Money in the current school tax collection fund shall not be transferred to the general fund of the county, school district, or intermediate school district or made the subject of appropriation by the county, school district, or intermediate school district. Any surplus in a current school tax collection fund shall be used by the county treasurer, school district treasurer, or intermediate school district treasurer to reduce the following costs for the next summer property tax levy of a school district or intermediate school district that is collected by the county treasurer, school district treasurer, or intermediate school district treasurer:

- (a) The costs of collection, in excess of fees and charges, incurred or paid pursuant to subsection (4)(b).
- (b) The fees and charges imposed pursuant to subsection (4)(g).

(13) A city treasurer, township treasurer, county treasurer, school district treasurer, or intermediate school district treasurer that collects pursuant to this section, section 1611, or section 1612 the summer property tax levy of a school district or intermediate school district against property eligible for a deferral of summer property taxes under section 51 of Act No. 206 of the Public Acts of 1893, being section 211.51 of the Michigan Compiled Laws, and, if not otherwise eligible for deferral thereunder, against property classified as agricultural real property if the gross receipts of the agricultural or horticultural operations in the previous year or the average gross receipts of such operations in the previous 3 years are not less than the household income of the owner in the previous year shall defer the collection of these summer property taxes without penalty or interest until the following February 15 upon a filing by the taxpayer of an intent to defer with the property tax collecting treasurer in the same manner as provided by section 51 of Act No. 206 of the Public Acts of 1893. The treasurer of a city, township, school district, intermediate school district, or county who collects the summer property tax levy of a school district or intermediate school district also shall comply with the publication and assistance requirements of section 51 of Act No. 206 of the Public Acts of 1893, with respect to property eligible for a deferral under this subsection.

**History:** Add. 1982, Act 333, Imd. Eff. Dec. 16, 1982.

**Popular name:** Act 451

### **380.1614 Adoption of resolution to impose summer property tax levy as request of city or township for collection; effectiveness of district action to impose levy upon certain property; location; exception.**

Sec. 1614. (1) Except as provided by subsection (2), the action by a school district or intermediate school district pursuant to section 1613 of adopting a resolution which determines to impose a summer property tax levy shall represent a request of each city and township in which the school district or intermediate school district is located to collect its summer property tax levy, but shall be effective to impose the summer property tax levy only upon property, taxable by the school district or intermediate school district, which is located in either of the following:

- (a) The city or township that collects the levy.
- (b) A city or township in which the county, school district, or intermediate school district collects the levy.

(2) If an intermediate school district adopts a resolution pursuant to section 1613 which determines to impose a summer property tax levy, that intermediate school district may restrict the areas in which the levy is imposed and collected to those areas in which a school district or city is concurrently imposing a summer property tax levy.

**History:** Add. 1983, Act 110, Imd. Eff. July 6, 1983.

**Popular name:** Act 451

### **380.1615 Summer property tax levy; compliance presumed; imposition of interest.**

Sec. 1615. For the 1983 tax year only, a summer property tax levy of a school district or intermediate school district collected by a village or township shall be presumed to be in compliance with sections 1612, 1613, and 1614. Interest shall not be imposed on a summer property tax levy of a school district or intermediate school district collected by a village before March 1, 1984 for the 1983 tax year.

**History:** Add. 1984, Act 50, Imd. Eff. Apr. 12, 1984.

**Popular name:** Act 451