Legislative Analysis

**RESOLUTIONS FOR COLLECTION
OF DELINQUENT TAXES**

Senate Bill 350 as referred to second committee
Sponsor: Sen. Kimberly LaSata
1st House Committee: Local Government and Municipal Finance
2nd House Committee: Ways and Means
Senate Committee: Finance
Complete to 5-12-20

SUMMARY:

Senate Bill 350 would amend Chapter IX (Finance and Taxation) of the General Law Village Act to revise the way villages determine when delinquent tax bills are forwarded to the county treasurer.

Now and under the bill, taxes collected by the village must be returned delinquent to the county treasurer on September 15 unless the village's governing body has adopted a resolution providing that they be returned on the same date that county taxes are returned delinquent for collection. In order to apply to the immediately following summer tax levy, the resolution must be adopted by June 1 of that year.

Under the bill, the resolution would apply to all subsequent tax levies until revoked by the village's governing body, thus removing the requirement that villages adopt the resolution annually. Likewise, a revoking resolution would have to be adopted by June 1 to apply to the following summer tax levy and subsequent tax levies.

MCL 69.18

FISCAL IMPACT:

The bill would have no fiscal impact on state or local government. While the bill would marginally reduce administrative activities of affected villages, there would be no identifiable budgetary savings.

POSITIONS:

Representatives of the following entities testified in <u>support</u> of the bill (3-4-20):
    Berrien County Treasurer
    Village of Three Oaks Treasurer

The Michigan Municipal League indicated <u>support</u> for the bill. (3-4-20)

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