



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4523 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Representative Willis Bullard, Jr.

House Committee: Tax Policy

Senate Committee: Finance

CONTENT

The bill would amend provisions of the General Property Tax Act that prohibit a local unit of government from levying property taxes for operating purposes if the tax rate would produce more revenue in the coming year than it did in the current year, after accounting for additions to the assessment roll. Currently, a local unit may approve a levy of an additional millage rate, but only after providing public notice and holding a public hearing. Under the bill, these provisions would apply unless the local unit complied with Section 16 of the Uniform Budgeting and Accounting Act (described in the Floor Analysis of House Bill 4518 (S-1)).

Further, for 1995 only, the bill provides that school districts could make their truth in taxation calculations without regard to the homestead and qualified agricultural property exemptions allowed under the School Code, and that the taxable value of that property would not be considered a loss. (The General Property Tax Act contains a similar provision, for 1995, for purposes of tax limitation calculations.)

The bill is tie-barred to House Bills 4517 and 4518.

MCL 211.24e

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State government. The bill would save administrative costs for local units, by combining two public hearings into one, thereby reducing the number of public notices published in newspapers and the number of hearings scheduled.

Date Completed: 5-3-95

Fiscal Analyst: R. Ross

[floor/hb4523](#)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.