



SENATE BILL No. 17

January 17, 1995, Introduced by Senator BOUCHARD and referred to the Committee on Finance.

A bill to amend section 37 of Act No. 186 of the Public Acts of 1973, entitled "Tax tribunal act," as amended by Act No. 254 of the Public Acts of 1994, being section 205.737 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 37 of Act No. 186 of the Public Acts of
2 1973, as amended by Act No. 254 of the Public Acts of 1994, being
3 section 205.737 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 37. (1) In arriving at its determination of a lawful
6 property assessment, the tribunal shall multiply its finding of
7 true cash value by a percentage equal to the ratio of the average
8 level of assessment in relation to true cash values in the
9 assessment district.

1 (2) The lawful assessment as determined by the tribunal is
2 subject to equalization and shall be equalized by application of
3 the equalization factor that is uniformly applicable in the
4 assessment district for the year in question. ~~—, which,~~ THE
5 ASSESSMENT after equalization ~~—,~~ shall not exceed 50% of the
6 true cash value of the property on the assessment date. HOWEVER,
7 IF THE TRIBUNAL DETERMINES THAT THE ASSESSMENT AFTER EQUALIZATION
8 IS GREATER THAN THE ASSESSMENT THAT WAS APPEALED, THE TRIBUNAL
9 SHALL NOT ORDER AN INCREASE IN THE AMOUNT OF THE ASSESSMENT UNDER
10 APPEAL.

11 (3) The petitioner has the burden of proof in establishing
12 the true cash value of the property, and the assessing agency has
13 the burden of proof in establishing the ratio of the average
14 level of assessments in relation to true cash values in the
15 assessment district and the equalization factor that was uni-
16 formly applied in the assessment district for the year in
17 question.

18 (4) If subsequent to the filing of the petition the taxpayer
19 paid additional taxes as a result of the unlawful assessments on
20 the same property, or if in subsequent years unlawful assessments
21 were made against the same property, the taxpayer, not later than
22 the filing deadline as prescribed by section 35(2), except as
23 provided by subsections (5) and (7), may amend his or her peti-
24 tion to join all of his or her claims for lawful assessment
25 determination and for refund by reason of payments based on the
26 unlawful assessments. The motion to amend the petition to add a
27 subsequent year shall be accompanied by a motion fee equal to 50%

1 of what the original filing fee would be. A sum determined by
2 the tribunal to have been unlawfully paid or underpaid shall bear
3 interest from the date of payment to the date of judgment and the
4 judgment shall bear interest to date of its payment. However, a
5 sum determined by the tribunal to have been underpaid shall not
6 bear interest for any time period prior to 30 days after the
7 decision rendered by the tax tribunal. Interest required by this
8 subsection shall accrue for periods before April 1, 1982 at a
9 rate of 6% per year, shall accrue for periods after
10 March 31, 1982 but before April 1, 1985 at a rate of 12% per
11 year, and shall accrue for periods after March 31, 1985 but
12 before April 1, 1994 at a rate of 9% per year. After March 31,
13 1994, interest shall accrue at an interest rate set monthly at a
14 per annum rate based on the auction rate of the 91-day discount
15 treasury bill rate for the first Monday in each month, plus 1%.

16 The tribunal shall order the refund of all or part of a property
17 tax administration fee that was paid in connection with a sum of
18 taxes determined by the tribunal to have been unlawfully paid.

19 (5) If the residential property and small claims division of
20 the tribunal has jurisdiction over a petition, the appeal for
21 each subsequent year for which an assessment has been established
22 shall be added automatically to the petition. However, upon
23 leave of the tribunal, the petitioner or respondent may request
24 that any subsequent year be excluded from appeal at the time of
25 the hearing on the petition.

26 (6) The notice of the hearing on a petition shall include a
27 statement advising the petitioner of the right to amend his or

1 her petition to include assessment disputes for subsequent years
2 as provided by subsections (4) and (5).

3 (7) If the final equalization multiplier for the tax year is
4 greater than the tentative multiplier used in preparing the
5 assessment notice and as a result of action of the state board of
6 equalization or county board of commissioners a taxpayer's
7 assessment as equalized is in excess of 50% of true cash value,
8 that person may appeal directly to the tax tribunal without a
9 prior protest before the local board of review. The appeal shall
10 be filed under this subsection on or before the third Monday in
11 August and shall be heard in the same manner as other appeals of
12 the tribunal. An appeal pursuant to this subsection shall not
13 result in an equalized value less than the assessed value multi-
14 plied by the tentative equalization multiplier used in preparing
15 the assessment notice.