

LATE MILLAGE CERTIFICATION

House Bill 5309 (Substitute H-1) First Analysis (10-30-97)

Sponsor: Rep. David Anthony
Committee: Tax Policy

THE APPARENT PROBLEM:

The General Property Tax Act says that taxes levied for any purpose by a taxing unit and approved by voters at an election in any year on or before the first Tuesday after the first Monday in November (the date of the general election) are to be certified for the calendar year in which the election is held. A special situation has arisen in Dickinson County where an election to renew millage supporting services for senior citizens was inadvertently not scheduled in time. A special election to reinstate the millage is scheduled for November 25, 1997. Legislation is necessary to allow this millage, if approved, to be certified for this calendar year. According to testimony from a representative of the Dickinson Iron Community Services Agency, the millage raises about \$140,000 for the five senior centers in Dickinson County and for senior programs. The programs include congregate meals, home delivered meals, in-home services for the frail elderly, an adult day center for Alzheimer patients and others, and transportation services. The loss of the revenue will drastically reduce services.

one-quarter mill tax to support senior citizens programs. Without this bill,

THE CONTENT OF THE BILL:

The bill would amend the General Property Tax Act to provide that, in 1997 only, taxes approved by the electors on or before November 30 would be certified for that calendar year.

MCL 211.36

FISCAL IMPLICATIONS:

According to information from staff to the House Tax Policy Committee, without this bill, the Dickinson Iron Community Service Agency will lose \$137,000. (Memorandum dated 10-28-97)

ARGUMENTS:

For:

The bill would provide for the late certification of millage in a special case in Dickinson County. An election is being held on November 25 to continue a

vital programs will lose funding. There are a number of precedents for this kind of legislation. It would apply only for 1997; it is not a permanent change in state policy.

Against:

The extension of the tax certification deadline is not good policy. Tax bills are supposed to be sent out December 1.

POSITIONS:

Among those indicating support for the bill to the House Tax Policy Committee were the Michigan Association of Counties, the Michigan Townships Association, and the Dickinson Iron Community Services Agency. (10-28-97)

The Department of Treasury opposes such extensions as a matter of policy. (10-28-97)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.