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ALLOW FILING OF JOINT PERSONALPROPERTY PETITIONS

**House Bill 5875 as introduced
First Analysis (6-3-98)**

**Sponsor: Rep. Patricia Birkholz
Committee: Tax Policy**

THE APPARENT PROBLEM:

Under the General Property Tax Act, local treasurers must file with the circuit court a petition containing a list of personal property on which taxes have gone unpaid for more than five years after being returned to the county treasurer as delinquent and on which the taxes are considered uncollectible. The court then can strike the taxes from the tax rolls, and they are no longer considered an asset of the township or city, the county in which the township or city was located, or any school district in which the personal property had been located. According to testimony before the House Tax Policy Committee, some local treasurers band together to carry out this task, hiring one attorney to petition the circuit court, and combining the personal property in the cooperating jurisdictions on a joint petition. However, it is said that some courts do not permit this collaboration because the law is silent on the practice. Legislation has been introduced to address this.

some jurisdictions reportedly, but elsewhere judges have not permitted it because there is no provision in law permitting it. The filing of a joint petition is a cost-saving measure for local units, who can hire one attorney to carry out one filing and bundle together the list of uncollectible personal property taxes.

POSITIONS:

There are no positions on the bill.

THE CONTENT OF THE BILL:

The bill would amend the General Property Tax Act to permit two or more township or city treasurers to file a joint petition with the circuit court regarding the striking off the tax rolls of uncollectible taxes on personal property.

MCL 211.56a

FISCAL IMPLICATIONS:

There is no information at present.

ARGUMENTS:

For:

The bill would specify that two local treasurers could collaborate in filing a joint petition with the circuit court to get uncollectible personal property taxes struck from the tax roll. This is the practice now in

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.

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