
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4020 (Substitute H-1 as passed by the House)
Sponsor: Representative Sue Rocca
House Committee: Tax Policy
Senate Committee: Finance

Date Completed: 5-3-99

CONTENT

The bill would amend the General Property Tax Act to eliminate a provision that allows local assessors to round up tax rates to avoid fractions in computations, and would require instead that an assessor round down a tax rate to four decimal places. Further, the bill would require that the taxes (for the tax bills) of each local unit be rounded down to the nearest 1 cent.

Currently, under the Act, local assessors, for the purpose of avoiding fractions in computations, may add up to one-half of 1% to the amount to be taxed. The excess generated by the rounding up of the amount taxed is placed in the contingent fund of the local taxing unit. The bill would eliminate these provisions.

MCL 211.39

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State government. Property tax collections would be minimally reduced for local units that do not currently round down.

Fiscal Analyst: R. Ross

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