



**House
Legislative
Analysis
Section**

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**TAX LIMITATION ELECTION:
EFFECTIVE DATE OF RESULTS**

**House Bill 5092
Sponsor: Rep. Rich Brown
Committee: Commerce**

Complete to 9-26-01

A SUMMARY OF HOUSE BILL 5092 AS INTRODUCED 9-25-01

The bill would amend the Property Tax Limitation Act to specify that separate tax limitations adopted at a countywide election held August 7, 2001 would be first effective in 2001. Currently, the act provides that tax limitations adopted at an election held after April 1 in any year are first effective in the next succeeding calendar year. (The bill also would change "next succeeding" to "immediately succeeding".)

[The Property Tax Limitation Act is the statute that implements Article IX, Section 6 of the State Constitution. That section says that the total amount of general ad valorem taxes imposed on real and personal property in any one year cannot exceed 15 mills unless separate tax limitations totaling not more than 18 mills are approved by county voters. A separate tax limitation proposal allocates the mills among the jurisdictions: the county, townships, and intermediate school districts. The act allows a question of a separate tax limitation to be put before the voters in two ways: 1) by initiatory petition of voters or 2) by resolution of the county allocation board. (Both kinds of proposal can go before the voters at the same time.)

Excluded from the tax limitations are debt service millage for voter-approved debt; extra-voted millage, up to 50 mills for up to 20 years; and taxes imposed by local units with tax limitations provided by charter or general law, such as cities, villages, charter townships, charter counties, and charter authorities. Further, as a follow-up to Proposal A, the act has been amended so that the number of mills that can be allocated must be reduced by the number of mills allocated to a local school district for school operating purposes in 1993.]

MCL 211.205i

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