



**House  
Legislative  
Analysis  
Section**

House Office Building, 9 South  
Lansing, Michigan 48909  
Phone: 517/373-6466

**EXTEND STATEMENT DEADLINE  
FOR PERSONAL PROPERTY**

**House Bill 5607 as introduced  
First Analysis (3-7-02)**

**Sponsor: Rep. Gary A. Newell  
Committee: Tax Policy**

***THE APPARENT PROBLEM:***

In October 2001, the Subcommittee on Tax Simplification of the House Tax Policy Committee issued a report containing a number of recommendations for improving state tax administration based on a series of hearings held around the state. One of the recommendations, based on testimony from the Michigan Chamber of Commerce, dealt with the written statements of personal property that businesses must file with local supervisors or assessors. Currently, such statements must be filed by February 20. Business representatives recommended that extensions be allowed so that taxpayers and local officials could have additional time to resolve assessment disagreements before the statements were filed. This, they said, would reduce the need for later appeals of assessments, which are time-consuming and expensive for all involved.

***THE CONTENT OF THE BILL:***

The bill would amend the General Property Tax Act to allow a supervisor or assessor to extend for up to 15 days the deadline for the filing of written statements of personal property required of owners of taxable personal property (typically businesses). The statutory deadline is February 20.

MCL 211.8a et al.

***FISCAL IMPLICATIONS:***

The House Fiscal Agency reports that the bill should not have any significant fiscal impact. (Fiscal analysis dated 3-4-02)

***ARGUMENTS:***

***For:***

This is a taxpayer-friendly bill that would allow local officials to extend the current deadline for the filing of statements by businesses listing taxable personal property. At present, such statements must be filed by February 20. Sometimes, business representatives say, an extension would be advantageous in that it would allow taxpayers and local officials to work out

disputes over assessments in advance. The bill would allow an extension for up to 15 days. This could eliminate the need for later protests and appeals by taxpayers. The bill is based on a recommendation from the Subcommittee on Tax Simplification of the House Tax Policy Committee.

***Against:***

The bill could complicate the timeline for the local assessment process, according to township representatives. By the first Monday in March, the local assessor is supposed to complete the assessment roll, and on the next day submit it to the board of review. The assessor could have printed the forms to be sent to property owners notifying them of assessments before the end of the extended deadline proposed by the bill. This could lead to some property owners not being properly notified. Property owners need to go to the board of review first if they want to continue to appeal an assessment. Local officials say people who miss the deadline now are not typically involved in disputes, they just haven't done the paperwork on time. In such cases, taxpayers could lose the ability to appeal property assessments.

***Response:***

It should be noted that the bill is not a mandate; it puts the question of granting of an extension in the hands of the local supervisor and assessor, including the length of the extension, which can be up to 15 days. Further, even if the deadline was extended, the taxpayer would have time to go to the local board of review to protest an assessment.

***POSITIONS:***

The Michigan Chamber of Commerce has indicated support for the bill. (3-6-02)

The Department of Treasury has indicated opposition to the bill. (3-6-02)

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.

House Bill 5607 (3-7-02)