

Property tax; special assessments; property exempt from the collection of taxes; allow special assessments to be assessed and collected and revise certain pollution control exemptions.

PROPERTY TAX: Special assessments; PROPERTY TAX: Payment and collection; PROPERTY TAX: Exemptions; ENVIRONMENTAL PROTECTION: Air pollution; ENVIRONMENTAL PROTECTION: Water pollution

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending sections 1, 7h, and 24 (MCL 211.1, 211.7h, and 211.24), section 7h as amended by 1983 PA 245 and section 24 as amended by 1994 PA 415.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. (1) ~~That all~~ ALL REAL AND PERSONAL property ~~—~~  
2 ~~real and personal,~~ within ~~the jurisdiction of~~ this state, not  
3 expressly exempted, ~~shall be~~ IS subject to ~~taxation~~ THE COL-  
4 LECTION OF TAXES UNDER THIS ACT.

5       (2) REAL PROPERTY EXEMPT FROM THE COLLECTION OF TAXES UNDER  
6 THIS ACT IS NOT EXEMPT FROM THE LEVY AND COLLECTION OF SPECIAL  
7 ASSESSMENTS ON REAL PROPERTY.

8       Sec. 7h. (1) As used in this section:

1 (a) "Solar, wind, or water energy conversion device" means a  
2 mechanism or series of mechanisms designed primarily to collect,  
3 convert, transfer, or store for future use solar, wind, or water  
4 energy for the purposes of heating, cooling, or electric supply  
5 but not those parts of a heating, cooling, or electric supply  
6 system that would be required regardless of the energy source  
7 being utilized. Solar, wind, or water energy conversion device  
8 includes a solar swimming pool heating device.

9 (b) "Water energy conversion device" includes only those  
10 devices that utilize groundwater heat pumps or low head hydroen-  
11 ergy conversion systems. Low head hydroenergy conversion systems  
12 shall not include public utility property.

13 (c) "Solar, wind, or water energy tax exemption certificate"  
14 means a certificate issued by the state tax commission  
15 ~~entitling~~ EXEMPTING a solar, wind, or water energy conversion  
16 device ~~to exemption~~ from ~~real and personal property taxes~~ THE  
17 COLLECTION OF TAXES UNDER THIS ACT.

18 (2) An application for a solar, wind, or water energy tax  
19 exemption certificate shall be filed with the department of  
20 ~~commerce in such~~ CONSUMER AND INDUSTRY SERVICES IN THE form ~~as~~  
21 ~~may be~~ prescribed by the state tax commission and the department  
22 of ~~commerce~~ CONSUMER AND INDUSTRY SERVICES. This application  
23 may be filed concurrently with any application for any other tax  
24 credit for the device ~~which~~ THAT is provided by law, and the  
25 department of treasury and the department of ~~commerce~~ CONSUMER  
26 AND INDUSTRY SERVICES shall make it possible to apply  
27 concurrently.

1 (3) Before issuing a certificate, the state tax commission  
2 shall seek approval of the department of ~~commerce~~ CONSUMER AND  
3 INDUSTRY SERVICES.

4 (4) If ~~the department of commerce finds that the facility~~  
5 ~~is a solar, wind, or water energy conversion device which meets~~  
6 ~~the standards set by the department of commerce for solar, wind,~~  
7 ~~or water energy conversion devices under section 262 of Act~~  
8 ~~No. 281 of the Public Acts of 1967, as amended, being~~  
9 ~~section 206.262 of the Michigan Compiled Laws, or if the depart-~~  
10 ~~ment of commerce~~ CONSUMER AND INDUSTRY SERVICES finds that the  
11 facility is a solar, wind, or water energy conversion device used  
12 for commercial or industrial purposes in ~~the~~ THIS state or a  
13 solar swimming pool heating device, the department of ~~commerce~~  
14 CONSUMER AND INDUSTRY SERVICES shall ~~so~~ notify the state tax  
15 commission, ~~who~~ WHICH shall issue a certificate. The effective  
16 date of the certificate shall be December 31 of the year in which  
17 the certificate is issued.

18 (5) For the period ~~subsequent to~~ AFTER the effective date  
19 of the certificate and continuing ~~so~~ AS long as the certificate  
20 is in force, the valuation of a solar, wind, or water energy con-  
21 version device covered ~~thereby~~ BY THE CERTIFICATE is exempt  
22 from ~~real and personal property~~ taxes ~~imposed~~ COLLECTED under  
23 this act. The certificate shall state the total acquisition cost  
24 of the device.

25 (6) The state tax commission shall send a solar, wind, or  
26 water energy tax exemption certificate, ~~when~~ IF issued, or a

1 notification of refusal to issue, by first class mail to the  
2 applicant, and a copy to the township or city assessor.

3 (7) The state tax commission may revoke a solar, wind, or  
4 water energy tax exemption certificate ~~where~~ IF the certificate  
5 was obtained by fraud or misrepresentation. ~~, and, when~~ IF a  
6 certificate is revoked because it was obtained by fraud or mis-  
7 representation, all taxes ~~which~~ THAT would have been payable if  
8 a certificate had not been issued shall be immediately due and  
9 payable with the maximum interest and penalties prescribed by  
10 applicable law. Any statute of limitations shall not operate in  
11 the event of fraud or misrepresentation. The state tax commis-  
12 sion shall notify the applicant and the township or city assessor  
13 by first class mail of the revocation of a solar, wind, or water  
14 energy tax exemption certificate.

15 (8) A party aggrieved by the issuance, refusal to issue,  
16 revocation, or modification of a solar, wind, or water energy tax  
17 exemption certificate may appeal from the state tax commission's  
18 finding to the ~~state~~ tax tribunal.

19 (9) A new solar, wind, or water energy tax exemption certif-  
20 icate shall not be issued for a solar, wind, or water energy con-  
21 version device if installation of the device is completed after  
22 December 31, 1983. All exemptions granted shall remain in force  
23 unless revoked under subsection (7).

24 (10) This section shall not ~~be deemed to~~ preclude the  
25 necessity of obtaining a permit for construction required by any  
26 other law or ordinance.

1 (11) This section ~~shall take~~ TAKES effect December 31,  
2 1975.

3 Sec. 24. (1) On or before the first Monday in March in each  
4 year, the supervisor or assessor shall make and complete an  
5 assessment roll, upon which he or she shall set down the name and  
6 address of every person liable to be taxed OR LIABLE TO BE  
7 ASSESSED UNDER A SPECIAL ASSESSMENT in the township or assessment  
8 district with a full description of all the real property liable  
9 to be taxed OR LIABLE TO BE ASSESSED UNDER A SPECIAL ASSESSMENT.  
10 REAL PROPERTY ASSESSED UNDER A SPECIAL ASSESSMENT INCLUDES, BUT  
11 IS NOT LIMITED TO, A PLACE OF WORSHIP, SCHOOL, OR OTHER PROPERTY  
12 EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT. If the name  
13 of the owner or occupant of any tract or parcel of real property  
14 is known, the assessor shall enter the name and address of the  
15 owner or occupant opposite to the description of the property.  
16 If unknown, the real property described upon the roll shall be  
17 assessed as "owner unknown". All contiguous subdivisions of any  
18 section that are owned by 1 person, firm, corporation, or other  
19 legal entity and all unimproved lots in any block that are conti-  
20 guous and owned by 1 person, firm, corporation, or other legal  
21 entity shall be assessed as 1 parcel, unless demand in writing is  
22 made by the owner or occupant to have each subdivision of the  
23 section or each lot assessed separately. However, failure to  
24 assess contiguous parcels as entireties does not invalidate the  
25 assessment as made. Each description shall show as near as pos-  
26 sible the number of acres contained in it, as determined by the  
27 assessor. It is not necessary for the assessment roll to specify

1 the quantity of land comprised in any town, city, or village  
2 lot. The assessor shall estimate, according to his or her best  
3 information and judgment, the true cash value and assessed value  
4 of every parcel of real property and set the assessed value down  
5 opposite the parcel. The assessor shall calculate the tentative  
6 taxable value of every parcel of real property and set that value  
7 down opposite the parcel. The assessor shall determine the per-  
8 centage of value of every parcel of real property that is exempt  
9 from the tax levied by a local school district for school operat-  
10 ing purposes to the extent provided under section 1211 of the  
11 REVISED school code, ~~of 1976, Act No. 451 of the Public Acts of~~  
12 ~~1976, being section 380.1211 of the Michigan Compiled laws~~ 1976  
13 PA 451, MCL 380.1211, and set that percentage of value down oppo-  
14 site the parcel. The assessor shall determine the date of the  
15 last transfer of ownership of every parcel of real property  
16 occurring after December 31, 1994 and set that date down opposite  
17 the parcel. The assessor shall also estimate the true cash value  
18 of all the personal property of each person, and set the assessed  
19 value and tentative taxable value down opposite the name of the  
20 person. In determining the property to be assessed and in esti-  
21 mating the value of that property, the assessor is not bound to  
22 follow the statements of any person, but shall exercise his or  
23 her best judgment. Property assessed to a person other than the  
24 owner shall be assessed separately from the owner's property and  
25 shall show in what capacity it is assessed to that person,  
26 whether as agent, guardian, or otherwise. Two or more persons  
27 not being copartners, owning personal property in common, may

1 each be assessed severally for each person's portion. Undivided  
2 interests in ~~lands~~ REAL PROPERTY owned by tenants in common, or  
3 joint tenants not being copartners, may be assessed to the  
4 owners.

5 (2) The state geologist, or his or her duly authorized  
6 deputy, shall determine, according to his or her best information  
7 and judgment, the true cash value of the metallic mining proper-  
8 ties and mineral rights consisting of metallic resources that are  
9 either producing, developed, or have a known commercial mineral  
10 value, including surface rights and personal property that may be  
11 used in the operation or development of the property assessed, or  
12 any stockpile of ore or mineral stored on the surface. For the  
13 purpose of encouraging the exploration and development of metal-  
14 lic mineral resources, metallic mineral ore newly discovered or  
15 proven in the ground and not part of the property of an operating  
16 mine ~~shall be~~ IS exempt from the taxes collected under this act  
17 for a maximum period of 10 years or until the time it becomes  
18 part of the property of an operating mine or it in itself becomes  
19 an operating mine. Metallic mineral ore newly discovered or  
20 proven in the ground and part of the property of an operating  
21 mine ~~shall be~~ IS exempt from taxes collected under this act  
22 until it, in combination with previously discovered metallic min-  
23 eral ore of the operating mine, comes into a 10-year recovery  
24 period of the mine as determined by the average normal annual  
25 rate of extraction of the mine.

26 (3) An operating mine ~~shall be~~ IS defined to be an  
27 operating mine as of the date of starting of a shaft, stripping

1 of overburden, or rehabilitation, or an abandoned or idle mine  
2 closed for not less than 2 years. Ore ~~shall not enjoy more than~~  
3 ~~10 years' exemption from taxation~~ IS NOT EXEMPT FROM THE COLLEC-  
4 TION OF TAXES UNDER THIS ACT FOR MORE THAN 10 YEARS. This sec-  
5 tion does not exempt from ~~the~~ taxes collected under this act  
6 ore reserves proven as of April 1, 1947. It is the intent of  
7 this act that mineral properties shall be valued and assessed in  
8 the future for ad valorem taxes according to the formula used in  
9 the valuation of mineral properties before the effective date of  
10 this act. It is the intent of this act that no metallic mineral  
11 ore shall be exempt more than 10 years because of the application  
12 of this act and if at any time it becomes evident that such is  
13 the case, the state tax commission shall determine the value of  
14 this untaxed ore and place this valuation on the proper tax  
15 roll. The state geologist shall report his or her determination  
16 of the true cash value of the mineral properties to the state tax  
17 commission on or before February 10 of each year. The state tax  
18 commission shall assess the mineral properties containing 20% or  
19 more of natural iron per ton of ore in conformity and uniformity  
20 with all other property within the assessing district. The state  
21 tax commission shall assess all other metallic mineral properties  
22 at the value certified by the state geologist. The state tax  
23 commission, as early as is practicable before February 20, shall  
24 certify the assessment of the property to the supervisor or  
25 assessing officer of the township or city in which the property  
26 is situated, who shall for the mineral properties and mineral  
27 rights that are owned separate from the surface rights on the



1 property assess each to the owner at the valuation certified to  
2 him or her. However, an adjustment to the value certified by the  
3 state tax commission may be made by the supervisor or assessing  
4 officer of the township or city to reflect any general adjustment  
5 of assessed valuation from the immediately preceding year not  
6 included in the state tax commission computation. The supervisor  
7 or assessing officer shall determine the true cash value of the  
8 surface rights and assess the value of the surface rights to the  
9 owner. The assessment upon the metallic mining properties and  
10 mineral rights may be altered from year to year regardless of  
11 whether any previous assessment has been reviewed by the state  
12 tax commission. The supervisor or other local assessing officer  
13 or the owner of any interest in the property assessed may appeal  
14 the assessment and valuation of the property as determined by the  
15 board of review to the state tax commission, which shall review  
16 the assessment and valuation as provided in section 152.