

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 5545**

A bill to amend 1993 PA 331, entitled  
"State education tax act,"  
by amending section 5b (MCL 211.905b), as added by 2002 PA 244.

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

1       Sec. 5b. (1) This section applies only to a city or  
2 township, or that portion of a city or township, in which no  
3 property taxes, other than the tax levied under this act or  
4 village taxes, are levied in the summer of 2003 and any summer  
5 after 2003.

6       (2) A city or township shall collect the tax levied under  
7 this act unless, before November 1, 2002, the legislative body of  
8 the city or township adopts a resolution declining to collect the  
9 tax levied under this act and, for a township, the treasurer  
10 concurs in writing with that resolution. Before November 1,  
11 2002, if the city or township adopts a resolution declining to

1 collect the tax under this act and, for a township, the treasurer  
2 concurs in writing with that resolution, the appropriate  
3 assessing officer shall send a copy of that resolution and, for a  
4 township, that concurrence to the state treasurer and the  
5 treasurer of the county in which the city or township is  
6 located. In January 2004 and each January thereafter, the  
7 legislative body of a city or township that has declined to  
8 collect the tax under this subsection may by resolution adopted  
9 by a majority of the legislative body rescind the earlier  
10 decision to decline to collect the tax. The city or township  
11 shall immediately send a copy of the resolution rescinding the  
12 earlier decision to decline to collect the tax to the state  
13 treasurer and the treasurer of the county in which the city or  
14 township is located. If a city or township collects the tax  
15 levied under this act pursuant to this section, ~~this state shall~~  
16 ~~transmit to~~ that city or township **shall retain** \$2.50 for each  
17 parcel of property in that city or township on which the tax  
18 levied under this act is ~~collected~~ **billed** under this section  
19 **from the tax collected under this act before transmitting the tax**  
20 **collected as provided in this act.**

21 (3) A county that receives a copy of a resolution declining  
22 to collect the tax under this act and, for a township, a written  
23 concurrence as provided in subsection (2) shall collect the tax  
24 levied under this act pursuant to this section unless, before  
25 February 1, 2003, the county board of commissioners adopts a  
26 resolution declining to collect the tax levied under this act and  
27 the county treasurer concurs in writing with that resolution.

1 Before February 1, 2003, if the county board of commissioners  
2 adopts a resolution declining to collect the tax under this act  
3 and the county treasurer concurs in writing with that resolution,  
4 the county treasurer shall send a copy of that resolution and  
5 that concurrence to the state treasurer. In February 2004 and  
6 each February thereafter, a county board of commissioners that  
7 has declined to collect the tax under this subsection may by  
8 resolution, with the written concurrence of the county treasurer,  
9 rescind the earlier decision to decline to collect the tax. The  
10 county treasurer shall immediately send a copy of the resolution  
11 rescinding the earlier decision to decline to collect the tax and  
12 the written concurrence of the county treasurer to the state  
13 treasurer. If a county collects the tax levied under this act  
14 pursuant to this section, ~~this state shall transmit to~~ that  
15 county **shall retain** \$2.50 for each parcel for property in that  
16 county on which the tax levied under this act is ~~collected~~  
17 **billed** under this section **from the tax collected under this act**  
18 **before transmitting the tax collected under this act to the state**  
19 **treasurer as provided in this act.**

20 (4) If a city or township does not collect the tax levied  
21 under this act pursuant to subsection (2) and if a county does  
22 not collect the tax levied under this act pursuant to subsection  
23 (3), the state treasurer shall collect the tax under the  
24 provisions of the general property tax act. The collection of  
25 the tax levied under this act is not subject to 1941 PA 122,  
26 MCL 205.1 to 205.31. The tax levied under this act collected  
27 pursuant to this subsection is subject to a 1% administration

1 fee.

2 (5) All of the following apply to the collection of the tax  
3 levied under this act by a county treasurer or the state  
4 treasurer:

5 (a) Not later than June 1, the township or city for which the  
6 tax is being collected shall deliver to the county treasurer or  
7 the state treasurer, as applicable, a certified copy of each  
8 assessment roll for taxable property located in the township or  
9 city. Each assessment roll shall include the taxable value of  
10 each parcel subject to the collection of the tax levied under  
11 this act. The county treasurer or state treasurer, as  
12 applicable, shall remit the necessary cost incident to the  
13 reproduction of the assessment roll to the township or city.

14 (b) Not later than June 30, the county treasurer or the state  
15 treasurer, as applicable, shall spread the millage levied under  
16 this act against the assessment roll and prepare the tax roll.

17 (c) The county treasurer or the state treasurer, as  
18 applicable, may impose all or a portion of the fees and charges  
19 authorized under section 44 of the general property tax act, 1893  
20 PA 206, MCL 211.44, on taxes paid before March 1. The county  
21 treasurer or the state treasurer, as applicable, shall retain the  
22 fees and charges imposed under this subdivision regardless of  
23 whether all or part of the fees and charges have been waived by  
24 the township or city.

25 (6) In relation to the assessment, spreading, and collection  
26 of taxes pursuant to this section, a county treasurer or the  
27 state treasurer, as applicable, shall have powers and duties

1 similar to those prescribed by the general property tax act for  
2 township supervisors, township clerks, and township treasurers.  
3 However, this section shall not be considered to transfer any  
4 authority over the assessment of property.

5 (7) A county treasurer or state treasurer collecting taxes  
6 pursuant to this section shall be bonded for tax collection in  
7 the same amount and in the same manner as a township treasurer  
8 would be for undertaking the duties prescribed by this section.

9 (8) If a county treasurer or the state treasurer collects the  
10 tax levied under this act pursuant to this section, all payments  
11 from this state for collecting the tax levied under this act in a  
12 summer levy, and all revenue generated by the administration fee,  
13 shall be deposited in a restricted account designated as the  
14 "state education tax collection account". The county treasurer  
15 or the state treasurer, as applicable, shall direct the  
16 investment of the account. The county treasurer or the state  
17 treasurer, as applicable, shall credit to the account interest  
18 and earnings from the account investments. Proceeds in that  
19 account shall only be used for the cost of collecting the tax  
20 levied under this act. For a county collecting the tax under  
21 this act, the county board of commissioners shall appropriate  
22 sufficient money from the account to the county treasurer to  
23 cover the cost of collecting the tax levied under this act.

24 (9) The tax levied under this act that is collected by a city  
25 pursuant to this section on a date other than a date it collects  
26 city taxes shall be subject to the same fees and charges a city  
27 may impose under section 44 of the general property tax act, 1893

1 PA 206, MCL 211.44, except that a city may impose the  
2 administration fee on the tax levied under this act that is  
3 billed in the summer even if the fee is not imposed on taxes  
4 billed in December. The tax levied under this act that is  
5 collected pursuant to this section on or before September 14 of  
6 each year by a city that collects school taxes on a date other  
7 than the date it collects city taxes shall be without interest,  
8 but the tax levied under this act that is collected after  
9 September 14 in each year shall bear interest at the rate imposed  
10 by section 59 of the general property tax act, 1893 PA 206,  
11 MCL 211.59, on delinquent property tax levies that become a lien  
12 in the same year. All interest and penalties that are imposed  
13 prior to the date the tax levied under this act is returned as  
14 delinquent, other than the administration fee, shall be  
15 transmitted to the state treasurer for deposit into the state  
16 school aid fund established in section 11 of article IX of the  
17 state constitution of 1963. If imposed, the administration fee  
18 shall be retained by the city.

19 (10) The tax levied under this act that is collected by a  
20 township on or before September 14 in each year shall be without  
21 interest. The tax levied under this act that is collected after  
22 September 14 of any year shall bear interest at the rate imposed  
23 by section 59 of the general property tax act, 1893 PA 206,  
24 MCL 211.59, on delinquent property tax levies that become a lien  
25 in the same year. The tax levied under this act that is  
26 collected by a township is subject to the same fees and charges  
27 the township may impose under section 44 of the general property

1 tax act, 1893 PA 206, MCL 211.44, except that a township may  
2 impose the administration fee on the tax levied under this act  
3 that is billed in the summer even if the fee is not imposed on  
4 taxes billed in December. All interest and penalties that are  
5 imposed prior to the date the tax levied under this act is  
6 returned delinquent, other than the administration fee, shall be  
7 transmitted to the state treasurer for deposit into the state  
8 school aid fund established in section 11 of article IX of the  
9 state constitution of 1963. If imposed, the administration fee  
10 shall be retained by the township.

11 (11) Not later than June 1 of each year, the county treasurer  
12 shall deliver to the state treasurer a statement of the total  
13 amount of the state education tax levy of the prior year not  
14 returned delinquent that was collected by the county treasurer  
15 and collected and remitted to the county treasurer by each city  
16 or township treasurer, together with a statement for the county  
17 and for each city or township of the number of parcels from which  
18 the state education tax was collected, the number of parcels for  
19 which the state education tax was billed, and the total amount  
20 retained by the county treasurer and by the city or township  
21 treasurer as permitted by subsections (2) and (3).