

# HOUSE BILL No. 5015

August 13, 2003, Introduced by Reps. Farrah, Newell, Kooiman, Palmer, Garfield, Hummel, Sheen, Milosch, Hoogendyk, Ward, Condino, O'Neil, Huizenga, Hune and Richardville and referred to the Committee on Tax Policy.

A bill to amend 1986 PA 196, entitled  
"Public transportation authority act,"  
by amending section 18 (MCL 124.468).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 18. (1) A public authority formed under this act may  
2       levy a tax on all of the taxable property within the limits of  
3       the public authority for public transportation purposes as  
4       authorized by this act.

5       (2) The tax authorized in subsection (1) shall not exceed  
6       5 mills of the state equalized valuation on each dollar of  
7       assessed valuation of taxable property within the limits of the  
8       applicable public authority.

9       (3) The tax authorized under subsection (1) shall not be  
10      levied except upon the approval of a majority of the registered  
11      electors residing in the public authority affected and qualified

1 to vote and voting on the tax at a general or special election.  
2 The election may be called by resolution of the board of the  
3 public authority. The recording officer of the public authority  
4 shall file a copy of the resolution of the board calling the  
5 election with the clerk of each affected county, city, or  
6 township not less than 60 days before the date of the election.  
7 The resolution calling the election shall contain a statement of  
8 the proposition to be submitted to the electors. Each county,  
9 city, and township clerk and all other county, city, and township  
10 officials shall undertake those steps to properly submit the  
11 proposition to the electors of the county, city, and township at  
12 the election specified in the resolutions of the public  
13 authority. The election shall be conducted and canvassed in  
14 accordance with the Michigan election law, ~~Act No. 116 of the~~  
15 ~~Public Acts of 1954, being sections 168.1 to 168.992 of the~~  
16 ~~Michigan Compiled Laws~~ **1954 PA 116, MCL 168.1 to 168.992**, except  
17 that if the public authority is located in more than 1 county,  
18 the election shall be canvassed by the state board of  
19 canvassers. The results of the election shall be certified to  
20 the board of the public authority promptly after the date of the  
21 election. Not more than 1 election may be held in a public  
22 authority in a calendar year for approval of the tax authorized  
23 under subsection (1). If the election is a special election, the  
24 public authority in which the election is held shall pay its  
25 share of the costs of the election.

26 (4) The taxes authorized by this section may be levied at a  
27 rate and for a period of not more than 5 years as determined by

1 the public authority in the resolution calling the election and  
2 as ~~shall be~~ set forth in the proposition submitted to the  
3 electors.

4 (5) The tax rate authorized by this section shall be levied  
5 and collected as are all ad valorem property taxes in ~~the~~ **this**  
6 state and the recording officer of the public authority shall at  
7 the appropriate times certify to the proper tax assessing or  
8 collecting officers of each tax collecting county, city, and  
9 township the amount of taxes to be levied and collected each year  
10 by each county, city, and township. Consistent with the  
11 provisions of subsection (6), the board of the public authority  
12 shall determine on which tax roll, if there ~~be~~ **is** more than 1,  
13 of each county, city, or township that the taxes authorized by  
14 this section shall be collected. Each tax assessing and  
15 collecting officer and each county treasurer shall levy and  
16 collect the taxes certified by the public authority and pay those  
17 taxes to the public authority ~~by the time~~ **as** provided in  
18 section 43 of the general property tax act, ~~Act No. 206 of the~~  
19 ~~Public Acts of 1893, being section 211.43 of the Michigan~~  
20 ~~Compiled Laws~~ **1893 PA 206, MCL 211.43**. The tax rate authorized  
21 by this section may be first levied by the public authority as a  
22 part of the first tax roll of the appropriate counties, cities,  
23 and townships occurring after the election described in  
24 subsection (3). ~~The~~ **Before January 1, 2005, the** tax may be  
25 levied and collected on the July or December tax roll ~~next~~  
26 following the date of election, if the tax is certified to the  
27 proper tax assessing officials not later than May 15 or

1 September 15, respectively, of the year in which the election is  
2 held. **After December 31, 2004, the tax may be levied and**  
3 **collected on the July tax roll following the date of election, if**  
4 **the tax is certified to the property tax assessing officials not**  
5 **later than May 15 of the year in which the election is held.**

6 (6) ~~—A~~ **Before January 1, 2005, a** public authority ~~—which~~  
7 **that** is authorized to impose a July property tax levy and ~~—if it~~  
8 **that** determines to do so, ~~—it—~~ shall negotiate agreements with  
9 the appropriate cities and townships for the collection of that  
10 levy. If a city or township and the public authority fail to  
11 reach an agreement for the collection by the city or township of  
12 the July property tax levy of the public authority, the public  
13 authority then may negotiate, until April 1, a proposed agreement  
14 with the county treasurer to collect its July property tax levy  
15 against property located in that city or township. If the county  
16 treasurer and the public authority fail to reach an agreement for  
17 the collection by the county of the July property tax levy of the  
18 public authority, the July property tax levy shall be collected  
19 with the December property tax levy. Any agreement negotiated  
20 under this subsection shall guarantee the collecting unit its  
21 reasonable expenses. The provisions of this subsection shall not  
22 apply to a city or township ~~—which—~~ **that** is levying a July  
23 property tax.

24 (7) If, pursuant to subsection (6), the public authority has  
25 reached a proposed agreement with a county treasurer on the  
26 collection of its July property tax levy against property located  
27 in a city or township with which an agreement to collect this

1 levy could not be made pursuant to subsection (6), the public  
2 authority shall notify by April 15 that city or township of the  
3 terms of that fact and the city or township shall have 15 days in  
4 which to exercise an option to collect the public authority's  
5 July property tax levy.

6 (8) Collection of all or part of a public authority's  
7 property tax levy by a treasurer pursuant to subsection (6) or  
8 (7) shall comply with all of the following:

9 (a) Collection shall be either 1/2 or the total of the  
10 property tax levy against the properties, as specified for that  
11 year in the resolution of the public authority.

12 (b) The amount the public authority has agreed to pay as  
13 reasonable collection expenses shall be stated in writing and  
14 reported to the state treasurer.

15 (c) Taxes authorized to be collected shall become a lien  
16 against the property on which assessed, and due from the owner of  
17 that property, on July 1.

18 (d) Taxes shall be collected on or before September 14 and  
19 all taxes and interest imposed pursuant to subdivision (f) unpaid  
20 before March 1 shall be returned as delinquent on March 1. Taxes  
21 delinquent under this subdivision shall be collected pursuant to  
22 ~~Act No. 206 of the Public Acts of 1893~~ **the general property tax**  
23 **act, 1893 PA 206, MCL 211.1 to 211.157.**

24 (e) Interest shall be added to taxes collected after  
25 September 14 at that rate imposed by section 59 of ~~Act No. 206~~  
26 ~~of the Public Acts of 1893, being section 211.59 of the Michigan~~  
27 ~~Compiled Laws~~ **the general property tax act, 1893 PA 206, MCL**

1 211.59, on delinquent property tax levies which became a lien in  
2 the same year.

3 (f) All or a portion of fees or charges, or both, authorized  
4 under section 44 of ~~Act No. 206 of the Public Acts of 1893,~~  
5 ~~being section 211.44 of the Michigan Compiled Laws~~ **the general**  
6 **property tax act, 1893 PA 206, MCL 211.44**, may be imposed on  
7 taxes paid before March 1 and shall be retained by the treasurer  
8 actually performing the collection of the July property tax levy  
9 of the public authority, regardless of whether all or part of  
10 these fees or charges, or both, have been waived by the township  
11 or city.

12 (9) An agreement **pursuant to subsection (6)** for the  
13 collection of a July property tax levy of a public authority with  
14 a county treasurer shall include a schedule for delivering  
15 collections to the public authority.

16 (10) To the extent applicable and consistent with the  
17 requirements of this section, the provisions of ~~Act No. 206 of~~  
18 ~~the Public Acts of 1893~~ **the general property tax act, 1893 PA**  
19 **206, MCL 211.1 to 211.157**, shall apply to proceedings in relation  
20 to the assessment, spreading, and collection of taxes pursuant to  
21 this section. Additionally, in relation to the assessment,  
22 spreading, and collection of taxes pursuant to this section, the  
23 county treasurer shall have powers and duties similar to those  
24 prescribed by ~~Act No. 206 of the Public Acts of 1893~~ **the**  
25 **general property tax act, 1893 PA 206, MCL 211.1 to 211.157**, for  
26 township supervisors, township clerks, and township treasurers.  
27 However, this section shall not be considered to transfer any

1 authority over the assessment of property.

2 (11) If a county treasurer collects the July property tax  
3 levy of the public authority **pursuant to subsection (6)**, the  
4 township or city shall deliver by June 1 a certified copy of the  
5 assessment roll containing state equalized valuations for each  
6 parcel of taxable property in the township or city to the  
7 treasurer collecting the July property tax levy of the public  
8 authority. The county treasurer receiving this certified copy of  
9 the assessment roll shall remit the necessary cost incident to  
10 the reproduction of the assessment roll to the township or city.

11 (12) A county treasurer collecting taxes pursuant to this  
12 section shall be bonded for tax collection in the same amount and  
13 in the same manner as a township treasurer would be for  
14 undertaking the duties prescribed by this section.

15 (13) An agreement for the collection of a July property tax  
16 levy between a public authority and a county may cover July  
17 collections for 2 years. If an agreement covers July collections  
18 for 2 years, the notice required by subsection (7) and the option  
19 to reconsider provided by subsection (7) shall not apply for July  
20 collections in the second year.

21 (14) If collections are made pursuant to this section by a  
22 county treasurer, all payments from a public authority for  
23 collecting its July property tax levy and all revenues generated  
24 from collection fees shall be deposited, when received or  
25 collected, in a fund, which ~~fund~~ shall be used by the county  
26 treasurer to pay for the cost of collecting the public  
27 authority's July property tax levy.

1       Enacting section 1. This amendatory act does not take  
2 effect unless Senate Bill No. \_\_\_\_\_ or House Bill No. 5010  
3 (request no. 02479'03) of the 92nd Legislature is enacted into  
4 law.