



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bill 871 (as introduced 11-9-05)  
Sponsor: Senator Mike Goschka  
Committee: Local, Urban and State Affairs

Date Completed: 11-10-05

### **CONTENT**

**The bill would amend the General Property Tax Act to delete provisions that require a local tax collecting unit to retain computer printouts documenting an original precollection tax roll, all parcel splits and combinations, all corrections and adjustments to the precollection tax roll, and the final settlement roll, in order for the State Tax Commission to authorize the local unit's use of a computerized database system as a tax roll.**

Under the Act, the State Tax Commission must authorize the use of a computerized database system as the tax roll if the local tax collecting unit or the county treasurer demonstrates that the proposed system has the capacity to enable a local unit to comply and the local unit complies with all of the following requirements.

- An original precollection tax roll must be printed from the computerized database and warranted by the assessor. The assessor must maintain that printed precollection tax roll until the expiration of the redemption period provided for following the entry of a judgment foreclosing property forfeited for delinquent taxes, or the resolution of all pending appeals, whichever is later.
- The assessor must prepare and maintain a separate computer printout of all parcel splits and combinations, including sufficient information to document their accuracy, until the expiration of the redemption period following foreclosure for delinquent taxes, or the resolution of all pending appeals, whichever is later.
- The assessor must prepare and maintain a separate computer printout of all corrections and adjustments to the precollection tax roll authorized by the board of review, State Tax Commission, or tax tribunal, including sufficient information to document the accuracy of all corrections and adjustments, until the expiration of the redemption period or the resolution of all pending appeals, whichever is later.
- The local tax collecting treasurer and the assessor must produce a final computer printed settlement tax roll to certify delinquent taxes collected to the county treasurer. The assessor must certify that taxable values, State equalized valuations, adjusted valuations, and the spread of taxes and adjusted taxes are correctly recorded in the settlement tax roll. The local tax collecting treasurer must certify delinquent taxes and certify that all tax collections are posted on the settlement tax roll. Those certifications and the settlement tax roll must be transmitted to the county treasurer. The affidavit attached to the settlement tax roll must include documentation that authorizes and reports all changes in the precollection tax roll.

The bill would delete these requirements.

The bill would retain the following requirements:

- The treasurer of the local tax collecting unit must prepare and maintain a journal of the collections totaled and reconciled to the amount of actual collections daily.
- A payment of the tax must be posted to the computerized database system using a transaction or receipt number with the date of payment.
- The computerized database system has internal and external security procedures sufficient to assure the integrity of the system.
- The local tax collecting unit is capable of making available a posted computer printed tax roll.
- The computerized database system is compatible with the system used by the county treasurer for the collection of delinquent taxes.

MCL 211.42a

Legislative Analyst: J.P. Finet

### **FISCAL IMPACT**

The bill would result in savings to local units of government related to not having to print and store precollection tax rolls.

Fiscal Analyst: Bill Bowerman

S0506\871sa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.