

**SUBSTITUTE FOR
HOUSE BILL NO. 6007**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 24, 25, 27, 34c, and 53 (MCL 211.24, 211.25,
211.27, 211.34c, and 211.53), section 24 as amended by 2002 PA 620,
section 27 as amended by 2010 PA 340, section 34c as amended by
2011 PA 320, and section 53 as amended by 1983 PA 24, and by adding
sections 7oo, 7pp, and 7qq; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 7oo. LOW GRADE IRON ORE AND LOW GRADE IRON ORE MINING**
2 **PROPERTY SUBJECT TO TAXATION UNDER 1951 PA 77, MCL 211.621 TO**
3 **211.626, OR IRON ORE OR ORE PROPERTY SUBJECT TO TAXATION UNDER 1963**
4 **PA 68, 207.271 TO 207.279, ARE EXEMPT FROM THE COLLECTION OF TAXES**
5 **UNDER THIS ACT.**

1 SEC. 7PP. BEGINNING DECEMBER 31, 2012, ANY MINERAL LOCATED AT
2 AN OPEN MINE IS EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT.
3 THE EXEMPTION UNDER THIS SECTION DOES NOT APPLY TO THE SURFACE
4 PROPERTY, RIGHTS IN THE SURFACE PROPERTY, SURFACE IMPROVEMENTS, OR
5 PERSONAL PROPERTY AT THAT OPEN MINE. AS USED IN THIS SECTION,
6 "MINERAL" AND "OPEN MINE" MEAN THOSE TERMS AS DEFINED IN THE
7 NONFERROUS METALLIC MINERALS EXTRACTION SEVERANCE TAX ACT.

8 SEC. 7QQ. ANY MINERAL-PRODUCING PROPERTY SUBJECT TO THE
9 MINERAL SEVERANCE TAX UNDER THE NONFERROUS METALLIC MINERALS
10 EXTRACTION SEVERANCE TAX ACT IS EXEMPT FROM THE COLLECTION OF TAXES
11 UNDER THIS ACT. AS USED IN THIS SECTION, "MINERAL-PRODUCING
12 PROPERTY" AND "MINERAL SEVERANCE TAX" MEAN THOSE TERMS AS DEFINED
13 IN THE NONFERROUS METALLIC MINERALS EXTRACTION SEVERANCE TAX ACT.

14 Sec. 24. ~~(1)~~—On or before the first Monday in March in each
15 year, the assessor shall make and complete an assessment roll, upon
16 which he or she shall set down all of the following:

17 (a) The name and address of every person liable to be taxed in
18 the local tax collecting unit with a full description of all the
19 real property liable to be taxed. If the name of the owner or
20 occupant of any tract or parcel of real property is known, the
21 assessor shall enter the name and address of the owner or occupant
22 opposite to the description of the property. If unknown, the real
23 property described upon the roll shall be assessed as "owner
24 unknown". All contiguous subdivisions of any section that are owned
25 by 1 person, firm, corporation, or other legal entity and all
26 unimproved lots in any block that are contiguous and owned by 1
27 person, firm, corporation, or other legal entity shall be assessed

1 as 1 parcel, unless demand in writing is made by the owner or
2 occupant to have each subdivision of the section or each lot
3 assessed separately. However, failure to assess contiguous parcels
4 as entireties does not invalidate the assessment as made. Each
5 description shall show as near as possible the number of acres
6 contained in it, as determined by the assessor. It is not necessary
7 for the assessment roll to specify the quantity of land comprised
8 in any town, city, or village lot.

9 (b) The assessor shall estimate, according to his or her best
10 information and judgment, the true cash value and assessed value of
11 every parcel of real property and set the assessed value down
12 opposite the parcel.

13 (c) The assessor shall calculate the tentative taxable value
14 of every parcel of real property and set that value down opposite
15 the parcel.

16 (d) The assessor shall determine the percentage of value of
17 every parcel of real property that is exempt from the tax levied by
18 a local school district for school operating purposes to the extent
19 provided under section 1211 of the revised school code, 1976 PA
20 451, MCL 380.1211, and set that percentage of value down opposite
21 the parcel.

22 (e) The assessor shall determine the date of the last transfer
23 of ownership of every parcel of real property occurring after
24 December 31, 1994 and set that date down opposite the parcel.

25 (f) The assessor shall estimate the true cash value of all the
26 personal property of each person, and set the assessed value and
27 tentative taxable value down opposite the name of the person. In

1 determining the property to be assessed and in estimating the value
2 of that property, the assessor is not bound to follow the
3 statements of any person, but shall exercise his or her best
4 judgment. For taxes levied after December 31, 2003, the assessor
5 shall separately state the assessed value and tentative taxable
6 value of any leasehold improvements.

7 (g) Property assessed to a person other than the owner shall
8 be assessed separately from the owner's property and shall show in
9 what capacity it is assessed to that person, whether as agent,
10 guardian, or otherwise. Two or more persons not being copartners,
11 owning personal property in common, may each be assessed severally
12 for each person's portion. Undivided interests in lands owned by
13 tenants in common, or joint tenants not being copartners, may be
14 assessed to the owners.

15 ~~—— (2) The state geologist, or his or her duly authorized deputy,~~
16 ~~shall determine, according to his or her best information and~~
17 ~~judgment, the true cash value of the metallic mining properties and~~
18 ~~mineral rights consisting of metallic resources that are either~~
19 ~~producing, developed, or have a known commercial mineral value,~~
20 ~~including surface rights and personal property that may be used in~~
21 ~~the operation or development of the property assessed, or any~~
22 ~~stockpile of ore or mineral stored on the surface. For the purpose~~
23 ~~of encouraging the exploration and development of metallic mineral~~
24 ~~resources, metallic mineral ore newly discovered or proven in the~~
25 ~~ground and not part of the property of an operating mine shall be~~
26 ~~exempt from the taxes collected under this act for a maximum period~~
27 ~~of 10 years or until the time it becomes part of the property of an~~

~~1 operating mine or it in itself becomes an operating mine. Metallic
2 mineral ore newly discovered or proven in the ground and part of
3 the property of an operating mine shall be exempt from taxes
4 collected under this act until it, in combination with previously
5 discovered metallic mineral ore of the operating mine, comes into a
6 10-year recovery period of the mine as determined by the average
7 normal annual rate of extraction of the mine.~~

~~8 (3) An operating mine shall be defined to be an operating mine
9 as of the date of starting of a shaft, stripping of overburden, or
10 rehabilitation, or an abandoned or idle mine closed for not less
11 than 2 years. Ore shall not enjoy more than 10 years' exemption
12 from taxation. This section does not exempt from the taxes
13 collected under this act ore reserves proven as of April 1, 1947.
14 It is the intent of this act that mineral properties shall be
15 valued and assessed in the future for ad valorem taxes according to
16 the formula used in the valuation of mineral properties before the
17 effective date of this act. It is the intent of this act that no
18 metallic mineral ore shall be exempt more than 10 years because of
19 the application of this act and if at any time it becomes evident
20 that such is the case, the state tax commission shall determine the
21 value of this untaxed ore and place this valuation on the proper
22 tax roll. The state geologist shall report his or her determination
23 of the true cash value of the mineral properties to the state tax
24 commission on or before February 10 of each year. The state tax
25 commission shall assess the mineral properties containing 20% or
26 more of natural iron per ton of ore in conformity and uniformity
27 with all other property within the assessing district. The state~~

~~1 tax commission shall assess all other metallic mineral properties
2 at the value certified by the state geologist. The state tax
3 commission, as early as is practicable before February 20, shall
4 certify the assessment of the property to the assessor of the
5 township or city in which the property is situated, who shall for
6 the mineral properties and mineral rights that are owned separate
7 from the surface rights on the property assess each to the owner at
8 the valuation certified to him or her. However, an adjustment to
9 the value certified by the state tax commission may be made by the
10 assessor of the township or city to reflect any general adjustment
11 of assessed valuation from the immediately preceding year not
12 included in the state tax commission computation. The assessor
13 shall determine the true cash value of the surface rights and
14 assess the value of the surface rights to the owner. The assessment
15 upon the metallic mining properties and mineral rights may be
16 altered from year to year regardless of whether any previous
17 assessment has been reviewed by the state tax commission. The
18 assessor or the owner of any interest in the property assessed may
19 appeal the assessment and valuation of the property as determined
20 by the board of review to the state tax commission which shall
21 review the assessment and valuation as provided in section 152.~~

22 Sec. 25. (1) The description of real property may be as
23 follows:

24 (a) If the land to be assessed is an entire section, it may be
25 described by the number of the section, township, and range.

26 (b) If the tract is a subdivision of a section authorized by
27 the United States for the sale of public lands, it may be described

1 by the designation of the subdivision, with the number of the
2 section, township, and range.

3 (c) If the tract is less than the subdivision, it may be
4 described as a distinct part of the subdivision, or in a manner as
5 will definitely describe it.

6 (d) In case of land platted or laid out as a town, city, or
7 village, or as an addition to a town, city, or village, it shall be
8 described by reference to the plat and by the number of the lots
9 and blocks thereof **OF THAT TOWN, CITY, OR VILLAGE.**

10 (e) When 2 or more parcels of land adjoin and belong to the
11 same owner or owners, they may be assessed by 1 valuation if
12 permission is obtained from the owner or owners. The assessing
13 authority shall send a notice of intent to assess the parcels by 1
14 valuation to the owner or owners. Permission shall be considered
15 obtained if there is no negative response within 30 days following
16 the notice of intent.

17 (f) It ~~shall be~~ **IS** sufficient to describe the real property
18 assessed upon a roll and in other proceedings under this act in the
19 manner ~~heretofore~~ in use by initials, letters, abbreviations, and
20 figures.

21 ~~— (g) In the case of the separate assessment of mineral rights~~
22 ~~it shall be sufficient to describe the same as provided in this~~
23 ~~section followed by the term "mineral rights only", and it shall be~~
24 ~~sufficient description of the surface rights which shall include~~
25 ~~all other rights in the property except mineral rights, as defined~~
26 ~~in sections 6a and 6b, to describe the property as provided in this~~
27 ~~section followed by the term "surface rights only".~~

1 (2) The descriptions of real property of townships shall be
2 arranged in the following manner:

3 (a) Acreage descriptions in numerical order of section
4 beginning with section 1 of each township; a surveyed township
5 being listed fully before a description of a second surveyed
6 township, if any, is entered.

7 Lands included in an unincorporated village may be arranged
8 without separation as to sections within a township.

9 (b) Government lots in a section shall be listed numerically.

10 (c) Descriptions listed in a private claim, if more than 1
11 private claim is located in the same township, the description of
12 each claim shall be listed numerically.

13 (3) The descriptions of real property of islands shall be
14 arranged and listed either by number or name of island.

15 Sec. 27. (1) As used in this act, "true cash value" means the
16 usual selling price at the place where the property to which the
17 term is applied is at the time of assessment, being the price that
18 could be obtained for the property at private sale, and not at
19 auction sale except as otherwise provided in this section, or at
20 forced sale. The usual selling price may include sales at public
21 auction held by a nongovernmental agency or person if those sales
22 have become a common method of acquisition in the jurisdiction for
23 the class of property being valued. The usual selling price does
24 not include sales at public auction if the sale is part of a
25 liquidation of the seller's assets in a bankruptcy proceeding or if
26 the seller is unable to use common marketing techniques to obtain
27 the usual selling price for the property. A sale or other

1 disposition by this state or an agency or political subdivision of
2 this state of land acquired for delinquent taxes or an appraisal
3 made in connection with the sale or other disposition or the value
4 attributed to the property of regulated public utilities by a
5 governmental regulatory agency for rate-making purposes is not
6 controlling evidence of true cash value for assessment purposes. In
7 determining the true cash value, the assessor shall also consider
8 the advantages and disadvantages of location; quality of soil;
9 zoning; existing use; present economic income of structures,
10 including farm structures; present economic income of land if the
11 land is being farmed or otherwise put to income producing use;
12 quantity and value of standing timber; water power and privileges,
13 ~~and mines, minerals, quarries,~~ or other valuable deposits **NOT**
14 **OTHERWISE EXEMPT** known to be available in the land and their value.
15 In determining the true cash value of personal property owned by an
16 electric utility cooperative, the assessor shall consider the
17 number of kilowatt hours of electricity sold per mile of
18 distribution line compared to the average number of kilowatt hours
19 of electricity sold per mile of distribution line for all electric
20 utilities.

21 (2) The assessor shall not consider the increase in true cash
22 value that is a result of expenditures for normal repairs,
23 replacement, and maintenance in determining the true cash value of
24 property for assessment purposes until the property is sold. For
25 the purpose of implementing this subsection, the assessor shall not
26 increase the construction quality classification or reduce the
27 effective age for depreciation purposes, except if the appraisal of

1 the property was erroneous before nonconsideration of the normal
2 repair, replacement, or maintenance, and shall not assign an
3 economic condition factor to the property that differs from the
4 economic condition factor assigned to similar properties as defined
5 by appraisal procedures applied in the jurisdiction. The increase
6 in value attributable to the items included in subdivisions (a) to
7 (o) that is known to the assessor and excluded from true cash value
8 shall be indicated on the assessment roll. This subsection applies
9 only to residential property. The following repairs are considered
10 normal maintenance if they are not part of a structural addition or
11 completion:

12 (a) Outside painting.

13 (b) Repairing or replacing siding, roof, porches, steps,
14 sidewalks, or drives.

15 (c) Repainting, repairing, or replacing existing masonry.

16 (d) Replacing awnings.

17 (e) Adding or replacing gutters and downspouts.

18 (f) Replacing storm windows or doors.

19 (g) Insulating or weatherstripping.

20 (h) Complete rewiring.

21 (i) Replacing plumbing and light fixtures.

22 (j) Replacing a furnace with a new furnace of the same type or
23 replacing an oil or gas burner.

24 (k) Repairing plaster, inside painting, or other redecorating.

25 (l) New ceiling, wall, or floor surfacing.

26 (m) Removing partitions to enlarge rooms.

27 (n) Replacing an automatic hot water heater.

1 (o) Replacing dated interior woodwork.

2 (3) A city or township assessor, a county equalization
3 department, or the state tax commission before utilizing real
4 estate sales data on real property purchases, including purchases
5 by land contract, to determine assessments or in making sales ratio
6 studies to assess property or equalize assessments shall exclude
7 from the sales data the following amounts allowed by subdivisions
8 (a), (b), and (c) to the extent that the amounts are included in
9 the real property purchase price and are so identified in the real
10 estate sales data or certified to the assessor as provided in
11 subdivision (d):

12 (a) Amounts paid for obtaining financing of the purchase price
13 of the property or the last conveyance of the property.

14 (b) Amounts attributable to personal property that were
15 included in the purchase price of the property in the last
16 conveyance of the property.

17 (c) Amounts paid for surveying the property pursuant to the
18 last conveyance of the property. The legislature may require local
19 units of government, including school districts, to submit reports
20 of revenue lost under subdivisions (a) and (b) and this subdivision
21 so that the state may reimburse those units for that lost revenue.

22 (d) The purchaser of real property, including a purchaser by
23 land contract, may file with the assessor of the city or township
24 in which the property is located 2 copies of the purchase agreement
25 or of an affidavit that identifies the amount, if any, for each
26 item listed in subdivisions (a) to (c). One copy shall be forwarded
27 by the assessor to the county equalization department. The

1 affidavit shall be prescribed by the state tax commission.

2 (4) As used in subsection (1), "present economic income" means
3 for leased or rented property the ordinary, general, and usual
4 economic return realized from the lease or rental of property
5 negotiated under current, contemporary conditions between parties
6 equally knowledgeable and familiar with real estate values. The
7 actual income generated by the lease or rental of property is not
8 the controlling indicator of its true cash value in all cases. This
9 subsection does not apply to property subject to a lease entered
10 into before January 1, 1984 for which the terms of the lease
11 governing the rental rate or tax liability have not been
12 renegotiated after December 31, 1983. This subsection does not
13 apply to a nonprofit housing cooperative subject to regulatory
14 agreements between the state or federal government entered into
15 before January 1, 1984. As used in this subsection, "nonprofit
16 cooperative housing corporation" means a nonprofit cooperative
17 housing corporation that is engaged in providing housing services
18 to its stockholders and members and that does not pay dividends or
19 interest upon stock or membership investment but that does
20 distribute all earnings to its stockholders or members.

21 (5) Except as otherwise provided in subsection (6), the
22 purchase price paid in a transfer of property is not the
23 presumptive true cash value of the property transferred. In
24 determining the true cash value of transferred property, an
25 assessing officer shall assess that property using the same
26 valuation method used to value all other property of that same
27 classification in the assessing jurisdiction. As used in this

1 subsection and subsection (6), "purchase price" means the total
2 consideration agreed to in an arms-length transaction and not at a
3 forced sale paid by the purchaser of the property, stated in
4 dollars, whether or not paid in dollars.

5 (6) The purchase price paid in a transfer of eligible
6 nonprofit housing property from a charitable nonprofit housing
7 organization to a low-income person that occurs after December 31,
8 2010 is the presumptive true cash value of the eligible nonprofit
9 housing property transferred. In the year immediately succeeding
10 the year in which the transfer of eligible nonprofit housing
11 property occurs and each year thereafter, the taxable value of the
12 eligible nonprofit housing property shall be adjusted as provided
13 under section 27a. As used in this subsection:

14 (a) "Charitable nonprofit housing organization" means a
15 charitable nonprofit organization the primary purpose of which is
16 the construction or renovation of residential housing for
17 conveyance to a low-income person.

18 (b) "Eligible nonprofit housing property" means property owned
19 by a charitable nonprofit housing organization, the ownership of
20 which the charitable nonprofit housing organization intends to
21 transfer to a low-income person after construction or renovation of
22 the property is completed.

23 (c) "Family income" and "statewide median gross income" mean
24 those terms as defined in section 11 of the state housing
25 development authority act of 1966, 1966 PA 346, MCL 125.1411.

26 (d) "Low-income person" means a person with a family income of
27 not more than 60% of the statewide median gross income who is

1 eligible to participate in the charitable nonprofit housing
2 organization's program based on criteria established by the
3 charitable nonprofit housing organization.

4 (7) For purposes of a statement submitted under section 19,
5 the true cash value of a standard tool is the net book value of
6 that standard tool as of December 31 in each tax year as determined
7 using generally accepted accounting principles in a manner
8 consistent with the established depreciation method used by the
9 person submitting that statement. The net book value of a standard
10 tool for federal income tax purposes is not the presumptive true
11 cash value of that standard tool. As used in this subsection,
12 "standard tool" means that term as defined in section 9b.

13 Sec. 34c. (1) Not later than the first Monday in March in each
14 year, the assessor shall classify every item of assessable property
15 according to the definitions contained in this section. Following
16 the March board of review, the assessor shall tabulate the total
17 number of items and the valuations as approved by the board of
18 review for each classification and for the totals of real and
19 personal property in the local tax collecting unit. The assessor
20 shall transmit to the county equalization department and to the
21 state tax commission the tabulation of assessed valuations and
22 other statistical information the state tax commission considers
23 necessary to meet the requirements of this act and 1911 PA 44, MCL
24 209.1 to 209.8.

25 (2) The classifications of assessable real property are
26 described as follows:

27 (a) Agricultural real property includes parcels used partially

1 or wholly for agricultural operations, with or without buildings.
2 For taxes levied after December 31, 2002, agricultural real
3 property includes buildings on leased land used for agricultural
4 operations. Property shall not lose its classification as
5 agricultural real property as a result of an owner or lessee of
6 that property implementing a wildlife risk mitigation action plan.
7 As used in this subdivision:

8 (i) "Agricultural operations" means the following:

9 (A) Farming in all its branches, including cultivating soil.

10 (B) Growing and harvesting any agricultural, horticultural, or
11 floricultural commodity.

12 (C) Dairying.

13 (D) Raising livestock, bees, fish, fur-bearing animals, or
14 poultry, including operating a game bird hunting preserve licensed
15 under part 417 of the natural resources and environmental
16 protection act, 1994 PA 451, MCL 324.41701 to 324.41712, and also
17 including farming operations that harvest cervidae on site where
18 not less than 60% of the cervidae were born as part of the farming
19 operation. As used in this subparagraph, "livestock" includes, but
20 is not limited to, cattle, sheep, new world camelids, goats, bison,
21 privately owned cervids, ratites, swine, equine, poultry,
22 aquaculture, and rabbits. Livestock does not include dogs and cats.

23 (E) Raising, breeding, training, leasing, or boarding horses.

24 (F) Turf and tree farming.

25 (G) Performing any practices on a farm incident to, or in
26 conjunction with, farming operations. A commercial storage,
27 processing, distribution, marketing, or shipping operation is not

1 part of agricultural operations.

2 (ii) "Project" means certain risk mitigating measures, which
3 may include, but are not limited to, the following:

4 (A) Making it difficult for wildlife to access feed by storing
5 livestock feed securely, restricting wildlife access to feeding and
6 watering areas, and deterring or reducing wildlife presence around
7 livestock feed by storing feed in an enclosed barn, wrapping bales
8 or covering stacks with tarps, closing ends of bags, storing grains
9 in animal-proof containers or bins, maintaining fences, practicing
10 small mammal and rodent control, or feeding away from wildlife
11 cover.

12 (B) Minimizing wildlife access to livestock feed and water by
13 feeding livestock in an enclosed area, feeding in open areas near
14 buildings and human activity, removing extra or waste feed when
15 livestock are moved, using hay feeders to reduce waste, using
16 artificial water systems to help keep livestock from sharing water
17 sources with wildlife, fencing off stagnant ponds, wetlands, or
18 areas of wildlife habitats that pose a disease risk, and keeping
19 mineral feeders near buildings and human activity or using devices
20 that restrict wildlife usage.

21 (iii) "Wildlife risk mitigation action plan" means a written
22 plan consisting of 1 or more projects to help reduce the risks of a
23 communicable disease spreading between wildlife and livestock that
24 is approved by the department of agriculture and rural development
25 under the animal industry act, 1988 PA 466, MCL 287.701 to 287.745.

26 (b) Commercial real property includes the following:

27 (i) Platted or unplatted parcels used for commercial purposes,

1 whether wholesale, retail, or service, with or without buildings.

2 (ii) Parcels used by fraternal societies.

3 (iii) Parcels used as golf courses, boat clubs, ski areas, or
4 apartment buildings with more than 4 units.

5 (iv) For taxes levied after December 31, 2002, buildings on
6 leased land used for commercial purposes.

7 (c) Developmental real property includes parcels containing
8 more than 5 acres without buildings, or more than 15 acres with a
9 market value in excess of its value in use. Developmental real
10 property may include farm land or open space land adjacent to a
11 population center, or farm land subject to several competing
12 valuation influences.

13 (d) Industrial real property includes the following:

14 (i) Platted or unplatted parcels used for manufacturing and
15 processing purposes, with or without buildings.

16 (ii) Parcels used for utilities sites for generating plants,
17 pumping stations, switches, substations, compressing stations,
18 warehouses, rights-of-way, flowage land, and storage areas.

19 (iii) Parcels used for removal or processing of gravel, stone,
20 or mineral ores. ~~, whether valued by the local assessor or by the~~
21 ~~state geologist.~~

22 (iv) For taxes levied after December 31, 2002, buildings on
23 leased land used for industrial purposes.

24 (v) For taxes levied after December 31, 2002, buildings on
25 leased land for utility purposes.

26 (e) Residential real property includes the following:

27 (i) Platted or unplatted parcels, with or without buildings,

1 and condominium apartments located within or outside a village or
2 city, which are used for, or probably will be used for, residential
3 purposes.

4 (ii) Parcels that are used for, or probably will be used for,
5 recreational purposes, such as lake lots and hunting lands, located
6 in an area used predominantly for recreational purposes.

7 (iii) For taxes levied after December 31, 2002, a home, cottage,
8 or cabin on leased land, and a mobile home that would be assessable
9 as real property under section 2a except that the land on which it
10 is located is not assessable because the land is exempt.

11 (f) Timber-cutover real property includes parcels that are
12 stocked with forest products of merchantable type and size, cutover
13 forest land with little or no merchantable products, and marsh
14 lands or other barren land. However, when a typical purchase of
15 this type of land is for residential or recreational uses, the
16 classification shall be changed to residential.

17 (3) The classifications of assessable personal property are
18 described as follows:

19 (a) Agricultural personal property includes any agricultural
20 equipment and produce not exempt by law.

21 (b) Commercial personal property includes the following:

22 (i) All equipment, furniture, and fixtures on commercial
23 parcels, and inventories not exempt by law.

24 (ii) All outdoor advertising signs and billboards.

25 (iii) Well drilling rigs and other equipment attached to a
26 transporting vehicle but not designed for operation while the
27 vehicle is moving on the highway.

1 (iv) Unlicensed commercial vehicles or commercial vehicles
2 licensed as special mobile equipment or by temporary permits.

3 (c) Industrial personal property includes the following:

4 (i) All machinery and equipment, furniture and fixtures, and
5 dies on industrial parcels, and inventories not exempt by law.

6 (ii) Personal property of mining companies. ~~valued by the state~~
7 ~~geologist.~~

8 (d) For taxes levied before January 1, 2003, residential
9 personal property includes a home, cottage, or cabin on leased
10 land, and a mobile home that would be assessable as real property
11 under section 2a except that the land on which it is located is not
12 assessable because the land is exempt.

13 (e) Utility personal property includes the following:

14 (i) Electric transmission and distribution systems, substation
15 equipment, spare parts, gas distribution systems, and water
16 transmission and distribution systems.

17 (ii) Oil wells and allied equipment such as tanks, gathering
18 lines, field pump units, and buildings.

19 (iii) Inventories not exempt by law.

20 (iv) Gas wells with allied equipment and gathering lines.

21 (v) Oil or gas field equipment stored in the open or in
22 warehouses such as drilling rigs, motors, pipes, and parts.

23 (vi) Gas storage equipment.

24 (vii) Transmission lines of gas or oil transporting companies.

25 (4) For taxes levied before January 1, 2003, buildings on
26 leased land of any classification are improvements where the owner
27 of the improvement is not the owner of the land or fee, the value

1 of the land is not assessed to the owner of the building, and the
2 improvement has been assessed as personal property pursuant to
3 section 14(6).

4 (5) If the total usage of a parcel includes more than 1
5 classification, the assessor shall determine the classification
6 that most significantly influences the total valuation of the
7 parcel.

8 (6) An owner of any assessable property who disputes the
9 classification of that parcel shall notify the assessor and may
10 protest the assigned classification to the March board of review.
11 An owner or assessor may appeal the decision of the March board of
12 review by filing a petition with the state tax commission not later
13 than June 30 in that tax year. The state tax commission shall
14 arbitrate the petition based on the written petition and the
15 written recommendations of the assessor and the state tax
16 commission staff. An appeal may not be taken from the decision of
17 the state tax commission regarding classification complaint
18 petitions and the state tax commission's determination is final and
19 binding for the year of the petition.

20 (7) The department of treasury may appeal the classification
21 of any assessable property to the residential and small claims
22 division of the Michigan tax tribunal not later than December 31 in
23 the tax year for which the classification is appealed.

24 (8) This section shall not be construed to encourage the
25 assessment of property at other than the uniform percentage of true
26 cash value prescribed by this act.

27 (9) The assessor of each city or township in which is located

1 property that is subject to payment in lieu of taxes under subpart
2 14 of part 21 of the natural resources and environmental protection
3 act, 1994 PA 451, MCL 324.2152 to 324.2154, shall place that
4 property on an assessment roll that is separate from the assessment
5 roll prepared under section 24. For purposes of calculating the
6 debt limitation imposed by section 11 of article VII of the state
7 constitution of 1963, the separate assessment roll for property
8 that is subject to payment in lieu of taxes under subpart 14 of
9 part 21 of the natural resources and environmental protection act,
10 1994 PA 451, MCL 324.2152 to 324.2154, required by this subsection
11 shall be combined with the assessment roll prepared under section
12 24.

13 Sec. 53. (1) A person may pay the taxes or special
14 assessments, any 1 of the several taxes or special assessments, a
15 portion of the taxes or special assessments that is specified by
16 the charter of a local collecting unit or by an ordinance or
17 resolution adopted by the governing body of the local collecting
18 unit, or if a specification is not made by an ordinance,
19 resolution, or the charter of a local collecting unit a portion of
20 the taxes or special assessments that is approved by the treasurer
21 of the local collecting unit, on any parcel or description of land,
22 or on any undivided share thereof, and the treasurer shall cause to
23 be noted across the face of the receipt in an indelible manner any
24 portion of the taxes or special assessments remaining unpaid. When
25 payment of the taxes or special assessments on any parcel or
26 description of land, or on any undivided share thereof, is made to
27 any local collecting treasurer, the treasurer shall place or cause

1 to be placed upon the face of the receipt the following
 2 certificate: "I hereby certify that application was made to pay all
 3 taxes and special assessments due and payable at this office on the
 4 description shown in this receipt
 5 except.....
 6

7 (Signed)..... Treas."

8 (2) Except as provided in subsection (3), a person owning an
 9 undivided share or other part or parcel of real property assessed
 10 in 1 description may pay on the part thus owned, by paying in any
 11 manner provided by subsection (1) an amount having the same
 12 relation to the whole tax or special assessment as the value of the
 13 part on which payment is made has to the value of the whole parcel.
 14 The application to pay the taxes or special assessments on any part
 15 of any parcel or description of land shall be accompanied by a
 16 statement from the assessing officer of the township or city in
 17 which the lands are situated showing the valuation of the part and
 18 of the several parts of the parcel or description of land, and the
 19 assessing officer shall make the valuations and furnish a statement
 20 at the request of any person who presents to the assessing officer
 21 a correct description and division of the parcel or description of
 22 land to be divided. The person making the payment shall accurately
 23 describe the part or share on which he or she makes payment, and
 24 the receipt given, and the record of the receiving officer shall
 25 show the description, and by whom paid; and in case of the sale of
 26 the remaining part or share for nonpayment of taxes or special
 27 assessments, he or she may purchase the same in like manner as any

1 disinterested person could.

2 (3) If an assessing officer has reason to believe that a
3 violation of the ~~subdivision control act of 1967, Act No. 288 of~~
4 ~~the Public Acts of 1967, being sections 560.101 to 560.293 of the~~
5 ~~Michigan Compiled Laws, LAND DIVISION ACT, 1967 PA 288, MCL 560.101~~
6 **TO 560.293**, has occurred with respect to property for which a
7 division is being requested pursuant to subsection (2) or section
8 24, or that such a division does not conform with the requirements
9 of the ~~subdivision control act of 1967, Act No. 288 of the Public~~
10 ~~Acts of 1967, LAND DIVISION ACT, 1967 PA 288, MCL 560.101 TO~~
11 **560.293**, the assessing officer shall not recognize a division of
12 that property requested pursuant to subsection (2) or section 24 on
13 the tax roll or assessment roll until he or she refers the
14 suspected violation or potential nonconformity to the county
15 prosecuting attorney and gives written notice to the plat section
16 of the department of commerce, the person requesting the division,
17 and the person suspected of the violation or potential
18 nonconformity, of such referral to the prosecuting attorney.

19 (4) A person having a lien on property may, after 30 days from
20 the time the tax is payable, pay the taxes thereon, and the same
21 may be added to his or her lien and recovered with the rate of
22 interest borne by the lien. A tenant of real estate may pay the
23 taxes thereon and deduct the taxes from his or her rent, unless
24 there is an agreement to the contrary. Such payment may be made to
25 the local collecting treasurer while the tax roll is in his or her
26 hands, or afterwards to the county treasurer. The receipt given
27 shall be evidence of payment. Every such receipt shall be

1 considered to include the certificate prescribed by subsection (1),
2 and unless otherwise noted thereon, shall be construed as an
3 application to pay all taxes and special assessments assessed
4 against the property described therein and then due and payable at
5 the office of the treasurer issuing the receipt.

6 (5) A person owning either the mineral rights or surface
7 rights in property, but not both, which rights are authorized under
8 this act to be separately assessed, may pay on the rights so owned
9 as authorized in this section for the payment upon an undivided
10 share in the property. ~~, except that the state geologist or his or~~
11 ~~her authorized deputy, instead of the local assessing officer,~~
12 ~~shall furnish a statement showing the valuation upon the mineral~~
13 ~~rights.~~

14 (6) If a part of any parcel of real property is acquired for
15 highway purposes, it shall be separately assessed and the assessing
16 officer shall make the allocation of the taxes or special
17 assessments between the part so acquired and the remainder as may
18 be considered by the assessing officer to be in conformity with
19 standard assessment practices. Upon the payment of the taxes or
20 assessments attributable thereto, the part or parcel of real
21 property so acquired shall be removed from the tax rolls. The
22 acceptance by the city, village, township, or county treasurer of
23 the payment shall not affect, prejudice, or destroy any tax lien on
24 the remainder of the parcel of real property from which the part is
25 taken.

26 (7) For purposes of determining the taxes which are required
27 to be paid, payment made by means of a property tax credit which is

1 authorized to be transferred under the income tax act of 1967, ~~Act~~
2 ~~No. 281 of the Public Acts of 1967, as amended, being sections~~
3 ~~206.1 to 206.532 of the Michigan Compiled Laws, 1967 PA 281, MCL~~
4 **206.1 TO 206.713**, shall be excluded.

5 (8) The acceptance of payment of less than the total of the
6 taxes or special assessments due shall not serve to waive interest
7 imposed pursuant to law or charter on taxes or special assessments
8 that are not paid by dates set, pursuant to subsection (1), by law
9 or charter.

10 Enacting section 1. Sections 6a and 6b of the general property
11 tax act, 1893 PA 206, MCL 211.6a and 211.6b, are repealed.

12 Enacting section 2. This amendatory act does not take effect
13 unless House Bill No. 6008 of the 96th Legislature is enacted into
14 law.