

SENATE BILL NO. 19

January 17, 2023, Introduced by Senator MCBROOM and referred to the Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 1973 PA 186, entitled "Tax tribunal act," by amending sections 31 and 35a (MCL 205.731 and 205.735a), as amended by 2008 PA 125.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 31. **(1)** ~~The~~ **Except as otherwise provided in subsection**
2 **(2), the** tribunal has exclusive and original jurisdiction over all
3 of the following:
4 (a) A proceeding for direct review of a final decision,

1 finding, ruling, determination, or order of an agency relating to
2 assessment, valuation, rates, special assessments, allocation, or
3 equalization, under the property tax laws of this state.

4 (b) A proceeding for a refund or redetermination of a tax
5 levied under the property tax laws of this state.

6 (c) Mediation of a proceeding described in subdivision (a) or
7 (b) before the tribunal.

8 (d) Certification of a mediator in a tax dispute described in
9 subdivision (c).

10 (e) Any other proceeding provided by law.

11 **(2) The tribunal does not have jurisdiction over any property**
12 **tax matter that comes within the exclusive jurisdiction of a county**
13 **board of revision as provided in section 34(3) (a) and (b) of the**
14 **general property tax act, 1893 PA 206, MCL 211.34. If it is**
15 **determined during a proceeding before the tribunal that a matter**
16 **before the tribunal comes within a county board of revision's**
17 **exclusive jurisdiction, the tribunal shall immediately transfer the**
18 **matter to the county board of revision.**

19 Sec. 35a. (1) ~~The provisions of this~~ **This** section apply
20 **applies** to a proceeding before the tribunal that is commenced after
21 December 31, 2006.

22 (2) A proceeding before the tribunal is original and
23 independent and is considered de novo.

24 (3) Except as otherwise provided in this section or by law,
25 for an assessment dispute as to the valuation or exemption of
26 property, the assessment must be protested before the board of
27 review before the tribunal acquires jurisdiction of the dispute
28 under subsection (6).

29 (4) In the 2007 tax year and each tax year after 2007, all of

1 the following apply:

2 (a) ~~For~~ **Subject to the jurisdiction of county boards of**
3 **revision as provided in section 34(3)(a) and (b) of the general**
4 **property tax act, 1893 PA 206, MCL 211.34, for** an assessment
5 dispute as to the valuation or exemption of property classified
6 under section 34c of the general property tax act, 1893 PA 206, MCL
7 211.34c, as commercial real property, industrial real property, or
8 developmental real property, the assessment may be protested before
9 the board of review or appealed directly to the tribunal without
10 protest before the board of review as provided in subsection (6).

11 (b) ~~For~~ **Subject to the jurisdiction of county boards of**
12 **revision as provided in section 34(3)(a) and (b) of the general**
13 **property tax act, 1893 PA 206, MCL 211.34, for** an assessment
14 dispute as to the valuation or exemption of property classified
15 under section 34c of the general property tax act, 1893 PA 206, MCL
16 211.34c, as commercial personal property, industrial personal
17 property, or utility personal property, the assessment may be
18 protested before the board of review or appealed directly to the
19 tribunal without protest before the board of review as provided in
20 subsection (6), if a statement of assessable property is filed
21 under section 19 of the general property tax act, 1893 PA 206, MCL
22 211.19, prior to the commencement of the board of review for the
23 tax year involved.

24 (c) For an assessment dispute as to the valuation of property
25 that is subject to taxation under 1974 PA 198, MCL 207.551 to
26 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651
27 to 207.668, the enterprise zone act, 1985 PA 224, MCL 125.2101 to
28 125.2123, the technology park development act, 1984 PA 385, MCL
29 207.701 to 207.718, the obsolete property rehabilitation act, 2000

1 PA 146, MCL 125.2781 to 125.2797, the commercial rehabilitation
2 act, 2005 PA 210, MCL 207.841 to 207.856, or 1953 PA 189, MCL
3 211.181 to 211.182, the assessment may be protested before the
4 board of review or appealed directly to the tribunal without
5 protest before the board of review as provided in subsection (6).
6 This subdivision does not apply to property that is subject to the
7 neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to
8 207.786.

9 (5) For a dispute regarding a determination of a claim of
10 exemption of a principal residence or qualified agricultural
11 property for a year in which the July or December board of review
12 has authority to determine a claim of exemption for a principal
13 residence or qualified agricultural property, the claim of
14 exemption ~~shall~~**must** be presented to either the July or December
15 board of review before the tribunal acquires jurisdiction of the
16 dispute. For a special assessment dispute, the special assessment
17 ~~shall~~**must** be protested at the hearing held for the purpose of
18 confirming the special assessment roll before the tribunal acquires
19 jurisdiction of the dispute.

20 (6) The jurisdiction of the tribunal in an assessment dispute
21 as to property classified under section 34c of the general property
22 tax act, 1893 PA 206, MCL 211.34c, as commercial real property,
23 industrial real property, developmental real property, commercial
24 personal property, industrial personal property, or utility
25 personal property is invoked by a party in interest, as petitioner,
26 filing a written petition on or before May 31 of the tax year
27 involved. The jurisdiction of the tribunal in an assessment dispute
28 as to property classified under section 34c of the general property
29 tax act, 1893 PA 206, MCL 211.34c, as agricultural real property,

1 residential real property, timber-cutover real property, or
 2 agricultural personal property is invoked by a party in interest,
 3 as petitioner, filing a written petition on or before July 31 of
 4 the tax year involved. In all other matters, the jurisdiction of
 5 the tribunal is invoked by a party in interest, as petitioner,
 6 filing a written petition within 35 days after the final decision,
 7 ruling, or determination. An appeal of a contested tax bill ~~shall~~
 8 **must** be made within 60 days after mailing by the assessment
 9 district treasurer and the appeal is limited solely to correcting
 10 arithmetic errors or mistakes and is not a basis of appeal as to
 11 disputes of valuation of the property, the property's exempt
 12 status, or the property's equalized value resulting from
 13 equalization of its assessment by the county board of commissioners
 14 or the state tax commission. Service of the petition on the
 15 respondent ~~shall~~**must** be by certified mail. For an assessment
 16 dispute, service of the petition ~~shall~~**must** be mailed to the
 17 assessor of that local tax collecting unit if the respondent is the
 18 local tax collecting unit. Except for petitions filed under chapter
 19 6, a copy of the petition ~~shall~~**must** also be sent to the secretary
 20 of the school board in the local school district in which the
 21 property is located and to the clerk of any county that may be
 22 affected.

23 (7) A petition is considered filed on or before the expiration
 24 of the time period provided in this section or by law if 1 or more
 25 of the following occur:

26 (a) The petition is postmarked by the United States ~~postal~~
 27 ~~service~~**Postal Service** on or before the expiration of that time
 28 period.

29 (b) The petition is delivered in person on or before the

1 expiration of that time period.

2 (c) The petition is given to a designated delivery service for
3 delivery on or before the expiration of that time period and the
4 petition is delivered by that designated delivery service or, if
5 the petition is not delivered by that designated delivery service,
6 the petitioner establishes that the petition was given to that
7 designated delivery service for delivery on or before the
8 expiration of that time period.

9 (8) A petition required to be filed by a day during which the
10 offices of the tribunal are not open for business ~~shall~~**must** be
11 filed by the next business day.

12 (9) A petition or answer may be amended at any time by leave
13 of the tribunal and in compliance with its rules. If a tax was paid
14 while the determination of the right to the tax is pending before
15 the tribunal, the taxpayer may amend ~~his or her~~**the taxpayer's**
16 petition to seek a refund of that tax.

17 (10) A person or legal entity may appear before the tribunal
18 in ~~his or her~~**its** own behalf or may be represented by an attorney
19 or by any other person.

20 (11) As used in this section, "designated delivery service"
21 means a delivery service provided by a trade or business that is
22 designated by the tribunal for purposes of this subsection. The
23 tribunal shall issue a tribunal notice not later than December 31
24 in each calendar year designating not less than 1 delivery service
25 for the immediately succeeding calendar year. The tribunal may
26 designate a delivery service only if the tribunal determines that
27 the delivery service meets all of the following requirements:

28 (a) Is available to the general public.

29 (b) Is at least as timely and reliable on a regular basis as

1 the United States ~~postal service~~. **Postal Service.**

2 (c) Records electronically to a database kept in the regular
3 course of business or marks on the petition the date on which the
4 petition was given to the delivery service for delivery.

5 (d) Any other requirement the tribunal prescribes.

6 Enacting section 1. This amendatory act does not take effect
7 unless Senate Bill No. 20 of the 102nd Legislature is enacted into
8 law.