

**THE REVISED SCHOOL CODE (EXCERPT)**  
**Act 451 of 1976**

**380.1724a Property taxes levied by intermediate school district for special education.**

Sec. 1724a.

(1) Beginning in 1995, and subject to section 625b, the board of an intermediate school district may levy ad valorem property taxes for special education purposes under sections 1722 to 1729 at a rate not to exceed 1.75 times the number of mills of those taxes authorized in the intermediate school district in 1993. All or part of the millage levied under this section may be renewed as provided in this article. Approval of the intermediate school electors is not required for the levy under this section of previously authorized mills until that authorization expires.

(2) An intermediate school district that levies a tax for special education operating purposes shall not use proceeds from the tax for any purpose other than special education operating purposes and shall submit to the department of treasury a copy of the audit report from the audit of the intermediate school district conducted under section 622a. If the department of treasury determines from the audit report that the proceeds from the tax have been used for a purpose other than special education operating purposes, as defined under subsection (4), the department of treasury shall notify the intermediate school district of that determination. If the intermediate school district disputes the determination or claims that the situation has been corrected, within 15 days after receipt of the determination the intermediate school district may submit an appeal of the determination to the department of treasury. Within 90 days after receipt of the appeal, the department of treasury shall consider the appeal and make a determination of whether the initial determination was correct or incorrect and of whether the situation has been corrected. If the department of treasury finds that the initial determination was correct and that the situation has not been corrected, then the department of treasury shall file a copy of the report with the attorney general. The attorney general shall review the report and, if the attorney general considers it appropriate, shall commence or direct the prosecuting attorney for the county in which the violations occurred to commence appropriate proceedings against the intermediate school board or the official or employee. These proceedings shall include at least a civil action in a court of competent jurisdiction for the recovery of any public money determined by the audit to have been illegally expended and for the recovery of any public property determined by the audit to have been converted or misappropriated.

(3) If the attorney general determines from a report filed under subsection (2) that an intermediate school district has misspent tax proceeds as described in subsection (2) and notifies the intermediate school district of this determination, the intermediate school district shall repay to its special education operating fund an amount equal to the amount the department of treasury determined under subsection (2) has been used for a purpose other than special education operating purposes. The intermediate school district shall make this repayment from funds of the intermediate school district that lawfully may be used for making such a repayment.

(4) For the purposes of subsections (2) and (3), the department and the department of treasury, in consultation with intermediate school districts, shall develop and make available to intermediate school districts a definition of special education operating purposes.

(5) An intermediate district shall not hold more than 2 elections in a calendar year concerning the authorization of a millage rate for special education purposes under sections 1722 to 1729.

**History:** Add. 1994, Act 258, Imd. Eff. July 5, 1994 ;-- Am. 2004, Act 415, Imd. Eff. Nov. 29, 2004

**Popular Name:** Act 451