

# Michigan State Tax Commission

## MCL 211.154 Omitted and Incorrectly Reported Property Frequently Asked Questions



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**1. Are there ways to change a property tax assessment after the completion of the assessment roll and its certification by the March Board of Review of the local assessment jurisdiction?**

Yes, there are several procedures available to change a property tax assessment after the close of the March Board of Review. Each procedure applies only to a specific factual circumstance and certain procedural requirements must be met to qualify for a given procedure. The available procedures are discussed below. Unless the specified factual circumstance exists, and all procedural requirements for that procedure have been met, the assessment which was certified by the March Board of Review is final.

**2. What are the methods to change an assessment after the completion of the March Board of Review?**

There are four possible methods. Two of the methods require the filing of a petition with the Michigan Tax Tribunal. Another requires action by the July or December meeting of the local Board of Review. The final method requires a petition to be filed with the State Tax Commission. The only method which will be discussed in detail here is the authorization given to the State Tax Commission pursuant to M.C.L. 211.154 (Section 154 of the General Property Tax Act, M.C.L 211.1, et. seq.)

**3. How can I obtain further information regarding the methods of changing a property tax assessment by petitioning the Michigan Tax Tribunal?**

A taxpayer who has protested to the March Board of Review of the assessment jurisdiction in which the property is located is permitted to appeal the property valuation or taxable status of the property for the current year to the Michigan Tax Tribunal. The jurisdictional requirements for such an appeal are contained in M.C.L. 205.735a. In some cases, the taxpayer may be excused from first protesting to the March Board of Review. The filing deadline is May 31 of the assessment year, for property classified as real or personal commercial property, for property classified as real or personal industrial property, for property classified as developmental real property, or for property classified as utility personal property. The filing deadline is July 31 of the assessment year for other classifications of property. These filing deadlines are extended to the next business day, if the specified date falls on a Saturday, Sunday or legal holiday. In addition, M.C.L. 211.53a provides that a taxpayer may petition the Michigan Tax Tribunal for a refund of tax paid for a period of three years after payment, if the assessor made a clerical error or if there was a mutual mistake of fact. Information on each of these procedures can be obtained at the Michigan Tax Tribunal website [www.michigan.gov/taxtrib](http://www.michigan.gov/taxtrib).

**4. How can I obtain further information regarding the method of changing a property tax assessment that requires action by the July or December meeting of the local Board of Review?**

The July or December meeting of the Board of Review of the local assessing unit has jurisdiction to correct qualified errors, relating to assessments for the assessment year in which it is meeting and for the prior assessment year if:

- A clerical error was made by the assessor relating to the correct assessment figures, the rate of taxation, or the mathematical computation relating to the assessment of taxes;
- There was a mutual mistake of fact;
- The taxpayer made an error in preparing the taxpayer's personal property statement; The assessor made an error in measurement or calculation relating to real property;
- The assessor made an error regarding the taxable status of real property; or.
- The assessor made an error of omission or inclusion of part of the real property.

See State Tax Commission Bulletin 5 of 2006 for more information. This Bulletin can be found at:

[http://www.michigan.gov/documents/Bulletin-no-5-2006\\_156000\\_7.pdf](http://www.michigan.gov/documents/Bulletin-no-5-2006_156000_7.pdf)

The July or December meeting of the Board of Review may also:

- Grant a Poverty Exemption under M.C.L. 211.7u, for the current year only, unless it has previously denied such an exemption for the current assessment year;
- Grant a Qualified Agricultural Exemption, for the current year and the immediately preceding year, under M.C.L. 211.7ee;
- Recap the taxable value of a property that benefited from a Qualified Agricultural Property Exemption under M.C.L. 211.27a(7)(n) at the time a transfer of ownership occurred, for the current year only, if the new owner submits the necessary documentation, as required by M.C.L. 211.27a(8);
- Permit the late election of a Qualified Start-up Business Exemption for an assessment year under M.C.L. 211.7hh(3)(b);
- Recap a taxable value that the assessor has determined was mistakenly uncapped, for the current year and/or any of the 3 immediately preceding years, pursuant to M.C.L. 211.27a(4).
- Grant a homeowner's Principle Residence Exemption which was not on the current year's roll, and/or which was not on the roll of any one or more of the 3 immediately preceding years, pursuant to M.C.L. 211.7cc.
- Consider the protest of a personal property taxpayer who asserts that the assessor incorrectly denied an Eligible Personal Property exemption authorized by MCL 211.9o or an Eligible Manufacturing Personal Property exemption authorized by MCL 211.9m or 211.9n. The assessor's refusal to grant such exemptions because the taxpayer failed to file Form 5076 or Form 5278 in a timely manner is not a denial and there is no right to appeal when failing to qualify in this manner.

**5. What authority does the State Tax Commission have to change a property tax assessment after the completion of the March Board of Review?**

The State Tax Commission has the authority, pursuant to M.C.L. 211.154 (Section 154 of the General Property Tax Act, M.C.L 211.1, et. seq.), to correct assessments in order to address the incorrect reporting by a taxpayer, or to add omitted real and personal property to the assessment roll.

**6. What does the State Tax Commission consider to be omitted property or an incorrect report within the meaning of Section 154 (M.C.L. 211.154)?**

The State Tax Commission has addressed this issue in a policy communication which can be found at:

[http://www.michigan.gov/documents/treasury/PolicyStatementStateTaxCommission\\_173791\\_7.pdf](http://www.michigan.gov/documents/treasury/PolicyStatementStateTaxCommission_173791_7.pdf)

In this policy communication, the Commission details the matters which it believes can be addressed pursuant to its authority under M.C.L. 211.154.

**7. Is there a time limit that a petition must be filed with the State Tax Commission in order for an assessment to be corrected pursuant to Section 154 (M.C.L. 211.154)?**

Yes, MCL 211.154 provides that if the State Tax Commission determines that property subject to the collection of taxes has been incorrectly reported or omitted from assessment for any previous year, but not to exceed the current assessment year and two (2) assessment years immediately preceding the assessment year that the incorrect reporting or omission was discovered and disclosed to the State Tax Commission, it shall place the corrected assessment value for the appropriate years on the appropriate assessment roll. (In other words, the State Tax Commission may correct the effect of an incorrect taxpayer report and/or may add omitted real or personal property for the assessment year of discovery and/or for either, or both, of the two assessment years that immediately precede the assessment year that it makes its discovery.)

**8. How do I file a petition for correction of an incorrectly reported property or to add omitted property?**

The party seeking to correct the assessment must file a petition with the State Tax Commission requesting correction of the assessment and must also transmit a copy of the petition to the other interested parties. There are three different petition forms and the form used will depend on who is filing the petition. An assessor or equalization director who files a petition does so on Treasury Form 627 (Form L-4154), a taxpayer or taxpayer's agent who files a petition does so on Treasury Form 628 (Form L-4155) and a third-party who wishes to notify the State Tax Commission of incorrectly reported or omitted property does so on Treasury Form 629 (Form L-4156). These forms can be found at the two links below:

[http://www.michigan.gov/taxes/0,1607,7-238-43535\\_43537-154828--,00.html](http://www.michigan.gov/taxes/0,1607,7-238-43535_43537-154828--,00.html)

[www.michigan.gov/154petitions](http://www.michigan.gov/154petitions)

**9. What supporting documents must be filed by a petitioner along with a petition filed pursuant to Section 154 (M.C.L. 211.154)?**

If the petition relates to real property, the required supporting documentation, in addition to documentation specifically requested by the State Tax Commission or Department of Treasury staff, must include the property record card(s) and the calculations and documents needed to

understand reason(s) for and the amount of the requested change(s) in the assessment(s) and taxable value(s). If the petition relates to personal property, the required supporting documentation, in addition to documentation specifically requested by the State Tax Commission or Department of Treasury staff, must include copies of all filed personal property statements for the assessment years for which correction is requested, pro forma corrected personal property statements for the same years, copies of audit summaries that support claims that a taxpayer has incorrectly reported its personal property or that support the correction of an estimated assessment and the calculations and documents needed to understand the reason(s) for and the amount of the requested change(s) in the assessment(s).

**10. Are there specific aspects of completing the form to which I must give particular attention, and can I obtain assistance in completing the Section 154 (MCL 211.154) petition form?**

Generally, the petition forms are self-explanatory. The most common errors relate to the failure of the petitioner to fully complete the form and to answer all questions. An incomplete petition will not be processed and the petition may be dismissed. Common problems include missing address information, missing parcel identification numbers, missing school district codes, the failure to state the property classification, and the failure to complete both the assessed value and taxable value columns. Incorrect (or unnecessary) documentation is frequently sent in place of requested documentation. Tax billing statements, copies of the payment check(s) and photographs of the property can be used to supplement, but cannot be not used in place of, requested documentation. A taxpayer should seek the assistance of the local assessor in computing the correct amounts if it is unclear as to how the computation should be made. The Department of Treasury believes that the assessor should provide such assistance, even if the assessor disagrees with the taxpayer's request. If a taxpayer is unable to obtain assistance from the assessor, he or she may request limited assistance from the Property Services Division of the Michigan Department of Treasury at (517) 335-6519.

**11. Are any other errors commonly made in completing a Section 154 (MCL 211.154) petition?**

Another common difficulty relates to the petitioner's inability to properly complete the sections of the form which require entry of the current taxable value(s) and assessed value(s) (the values on the roll) and/or the incorrect statement of the amount of the change in the assessment which is requested. The existing taxable value(s) and assessed value(s) for the year(s) covered by the petition (the values on the roll) can typically be obtained from the tax billings for the year(s) or from the local treasurer or assessor. The requested assessed and taxable values should be stated at the total increased or decreased amount after application of the adjustment requested by the petitioner. A petitioner should not simply indicate the amount of the change requested. For example, if a taxpayer requests a reduction arising from the fact that an item of equipment was mistakenly reported, but the taxpayer still has other assessable property in the jurisdiction, then the requested assessment should not be zero. Instead, the taxpayer should enter the revised amounts of assessed value and taxable value, after adjusting for the property mistakenly included or excluded. In most cases, the taxable value and the assessed value of personal property are the same amount.

**12. What will happen if I mistakenly fail to fully complete the petition or fail to include all supporting documentation?**

If an incomplete petition is received by the State Tax Commission, efforts are made to allow the filer to complete the petition. A letter and a check list advising of such deficiencies will be sent to the party filing the petition, and allowing 60 days to complete the petition. At the end of 60 days, the petition will be dismissed for lack of progress. If the State Tax Commission receives a request for additional time to fulfill the filing requirements, the time may be granted, depending on the individual circumstances, provided the requested additional time is reasonable. When a deficient petition is complete, it will be scheduled for the next meeting date that is available.

**13. After filing the petition, what can a petitioner expect to happen?**

If the petitioner is the assessor, he or she must provide a copy of the petition and all supporting documents to the taxpayer. If the petitioner is the taxpayer, he or she must provide a copy of the petition and all supporting documents and to the assessor. If the petitioner is the equalization director, then he or she must provide a copy of the petition and all supporting documents to both the assessor and the taxpayer. At the time these documents are transmitted, the petitioner must request in writing that the recipient(s) send the State Tax Commission either a concurrence or a non-concurrence relating to the requested change. A copy of this written communication should be sent to the State Tax Commission. If the recipient(s) concur(s) with the request in the petition, and if the State Tax Commission's or Department of Treasury's staff enters no objection on procedural or statutory grounds, then the matter will be presented to the State Tax Commission, typically within a few weeks, and an order issued. If a concurrence is not entered, the matter will be scheduled for consideration before the State Tax Commission at one of its meetings and interested parties will be notified of the date so that they can be heard. Attendance at the meeting relating to a Section 154 petition is not required but if the State Tax Commission wishes to direct questions to an interested party who is not present, then that party's absence may influence the decision made by the State Tax Commission. Copies of the State Tax Commission's Order are sent to the municipal treasurer who has custody of the tax roll for each assessment year in question and an amended tax bill and/or refund will typically be issued within approximately 30 days. Questions concerning refunds should be directed to the treasurer(s) having possession of the tax roll(s).

**14. Can I rely on the fact that the assessor or taxpayer has received the petition in order to forestall the State Tax Commission losing jurisdiction over an assessment year?**

No, the State Tax Commission must have actual notice of the claimed incorrect reporting or omitted property by the end of the second assessment year following the assessment year in which the incorrect report or omission occurred in order for the State Tax Commission to retain jurisdiction over that assessment year. In most cases, the State Tax Commission receives actual notice through the filing of the MCL 211.154 petition. Filing the petition with other interested parties is insufficient unless the State Tax Commission has also received the petition in a timely manner. By statutory provision, if the State Tax Commission has actual notice by the first business day of the new calendar year, notice is deemed to have been received on December 31 of the prior assessment year. In such cases, a postmark is not sufficient.



**15. Is there some way for me to check to assure that the State Tax Commission has received my petition and to check its status?**

Yes, the status of a petition or order, including whether a matter has been scheduled for a time before the Commission, and the action, if any, taken by the State Tax Commission can be reviewed at [www.michigan.gov/154petitions](http://www.michigan.gov/154petitions). Forms and copies of already entered orders can be viewed and printed from this site. The State Tax Commission will not fax copies of Orders relating to hearings.

**16. If I am a taxpayer who is dissatisfied with the determination made by the State Tax Commission do I have a right of further appeal?**

A taxpayer generally has a right to appeal the decision made by the State Tax Commission to the Michigan Tax Tribunal within 35 days of the date that the Commission's Order is issued (MCL 205.735a).

**17. Is it possible to request an amendment to an already issued State Tax Commission Order, without appealing to the Michigan Tax Tribunal?**

If it is determined that an order incorrectly states the existing parcel number, or the amount of the existing taxable value, or assessed value, or that the assessed or taxable value is stated differently in the Order than it was entered by the State Tax Commission at the meeting, a technical amendment to the Order can be requested by mailing or faxing a copy of the Order to the State Tax Commission, Attention: Section 154 Order Correction at Fax # (517) 241-2621. Please include adequate information on the changes that need to be made. If the change which is sought is of a substantive nature, it will typically be necessary to appeal the State Tax Commission's determination to the Michigan Tax Tribunal, although the State Tax Commission, on rare occasions, does reconsider an Order if it determines that it has made a mistake. The State Tax Commission is more often willing to reconsider its determination if both the taxpayer and the assessor agree that a mistake was made and the State Tax Commission finds that there is an adequate factual basis for determining that, in fact, a mistake occurred. A request for reconsideration does not extend the time for filing an appeal to the Michigan Tax Tribunal.

**18. Where does the State Tax Commission hold its meetings and what do I have to do if I wish to appear at the meeting relating to a M.C.L. 211.154 Petition?**

Currently, the State Tax Commission holds its meetings at the Holiday Inn Express and Okemos Conference Center, 2187 University Park Drive, Okemos, MI. For a map and directions see <http://okemosconferencecenter.com/property-location/>

All those attending must sign in. The Section 154 (M.C.L. 211.154) petitions are typically scheduled to begin at 9:30 A.M. The first petitioners to be heard are those who signed up for an early appearance by calling the special number located in the last paragraph of the notice of hearing. The next petitioners who will be heard are those who signed in. The rest of the petitions will heard in the order they appear on the agenda which is alphabetical by county. It is recommended that all persons planning to attend the hearing for the Section 154 petitions should arrive at 9:30 A.M.

**19. Can I obtain a postponement in the date or time of my meeting with the State Tax Commission?**

A postponement request may be obtained, for cause only, up to 20 days prior to the meeting. The State Tax Commission will also consider any postponement request made at the hearing. Emergency postponement requests will be considered until the time of the meeting. Postponement requests must be in writing and can be either mailed or faxed to the State Tax Commission at (517) 241-2621.

**20. How can the State Tax Commission be contacted?**

The State Tax Commission can be contacted by:

Mail: State Tax Commission  
P.O. Box 30471  
Lansing, Michigan 48909

Telephone: (517) 335-6519 (Property Services Division)

Fax: (517) 241-2621 (Address the fax to the State Tax Commission, Section 154)

E-mail: [Treas-154Petitions@michigan.gov](mailto:Treas-154Petitions@michigan.gov)

Web: [www.michigan.gov/154petitions](http://www.michigan.gov/154petitions)

The website includes: hyperlinks to petition forms, State Tax Commission meeting schedules and agendas, Section 154 petition status, Section 154 Orders, the General Property Tax, Act 206 of 1893, which includes M.C.L. 211.154, and the STC Rules related to Section 154.