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State Tax Commission Q and A on Assumption of Jurisdiction of Assessment Rolls:

1. Why does the STC take jurisdiction of an assessment roll:

Statute requires the STC to assume jurisdiction of assessment rolls under certain conditions. Specifically, MCL 211.10f indicates: If a local assessing district does not have an assessment roll that has been certified by a qualified certified assessing officer, or if a certified assessor or a board of review for a local tax collecting unit is not in substantial compliance with the provisions of the GPTA, the State Tax Commission shall assume jurisdiction over the assessment roll and provide for the preparation of a certified roll.

2. How will we know if the Commission is going to assume jurisdiction over our assessment roll?

In accordance with STC policy, prior to assumption of jurisdiction a local unit will be provided notice and given 21 days to provide information for the STC to consider prior to assumption of jurisdiction. Assumption of jurisdiction is always done at a State Tax Commission public meeting. The Commission will issue a formal order assuming jurisdiction and the local unit will be provided a copy of that order within 7 days after the assumption of jurisdiction.

3. What do we need to do when the State Tax Commission assumes jurisdiction of the assessment roll, will someone actually come to the local unit and take the roll?

The Commission will not actually send someone to take your assessment roll. Any questions regarding the assumption of jurisdiction that are not addressed by this document should be directed to the State Tax Commission via email at State-Tax-Commission@michigan.gov.

4. Since the Commission does not actually take the roll, what does assumption of jurisdiction really mean to the local unit?

While the State Tax Commission has jurisdiction of the Assessment Unit Assessment Roll, the preexisting property tax administrative duties of the Township remain essentially unchanged – basically things proceed as normal with minor exceptions. For example:

- The Township Board of Review is to convene as required by statute
- Tax billing continues as required

Some differences resulting from the State Tax Commission jurisdiction are:

- Values are subject to review and at its discretion, can be changed by the State Tax Commission (individual value appeals are still under the jurisdiction of the Tribunal)
- Appeals pending before the Michigan Tax Tribunal may be held in abeyance at the discretion of the Tribunal
- Actions of the Board of Review must be submitted to the STC for review and approval prior to the Board of Review taking action.

5. What does it mean that the actions of the Board of Review must be submitted to the STC for review and approval prior to the Board of Review taking action?

Since the STC has jurisdiction of the assessment roll, they have to be concerned that any actions taken by the July or December Board of Review are legal actions. Specifically, no later than 7 to 10 days prior to the July or December Board of Review, the assessor must submit to the STC a list of the actions that are scheduled for the July or December Board. The STC will review that list and let the assessor know which items can be reviewed by the Board of Review. Assessors should submit the list and any appropriate documentation to the STC via email at State-Tax-Commission@michigan.gov.

6. Are there any notifications that must be provided to our taxpayers?

There are no notifications required to be mailed to taxpayers until after the assessment roll has been certified by the STC. At that time, the STC will require the local unit to mail a notice of new assessment and new taxable value to each owner within 30 days after the final determination by the STC.

MCL 211.10f(3) states that the notice shall specify:

- Each parcel of property,
- The assessed valuation for the current year,
- The assessed valuation for the immediately preceding year,
- The tentative taxable value for the current year,
- The taxable value for the immediately preceding year,
- The state equalized valuation for the immediately preceding year,
- The tentative state equalized valuation for the current year,
- The net change in the assessed valuation,
- The net change in the tentative taxable value,
- The net change between the tentative state equalized valuation for the current year and the state equalized valuation for the immediately preceding year,
- A statement informing the owner that an appeal of the assessment or taxable value must be made within 30 days of the date of the assessment notice directly to the tax tribunal and shall also include information on how and where an appeal can be made.

7. When will the assessment roll be returned to the local unit?

The assessment roll cannot be returned until the local unit is in compliance with the General Property Tax Act and State Tax Commission Rules. To determine compliance, the Commission has determined that each local unit will undergo an

AMAR review. Once all items within the AMAR review are compliant, the roll will be certified in an Order from the Commission and the Local Unit will be billed for the cost of the assumption of jurisdiction. Once the local unit pays for the cost of assumption of jurisdiction, the roll will be returned to the local unit in an order from the Commission.

8. How much does a “typical” assumption of jurisdiction cost?

Unfortunately, there are no “typical” assumptions of jurisdictions and therefore, no “typical” cost for an assumption. You will be billed for all the STC staff time involved in the assumption of jurisdiction including monitoring any reappraisal work and the AMAR review.