



Who is eligible to defer payment on summer property taxes?

Taxpayers who are permitted by MCL 211.51 to defer payment on summer property taxes include the following persons whose income for the preceding calendar year was under \$40,000: senior citizens (those 62 and older); blind, disabled, paraplegic, hemiplegic or quadriplegic persons; certain military servicemen and women; veterans; and widows and widowers. Certain agricultural property owners may also be eligible.

A deferral allows eligible taxpayers to pay their summer taxes before Feb. 15, the winter tax due date, without interest or penalty. Taxpayers seeking a summer tax deferral must submit Form 471—Application for Deferment of Summer Taxes before Sept. 15 of the year in which the taxes are due. (In 2013, the deadline is Sept. 16, as Sept. 15 falls on a Sunday.)



What must the township do to add a property tax administration fee to a tax levy?

A township may apply up to a 1 percent property tax administration fee on local property taxes voluntarily paid before Feb. 15. On all taxes paid after Feb. 14 and before March 1, the township may authorize the treasurer to add a late penalty charge equal to 3 percent of the tax.

The township board must adopt a resolution to apply the property tax administration fee or late penalty charge to the taxes. The resolution can place a limit on the number of years the fee will be imposed, or can state that the township will collect the fee until the board rescinds the fee, by resolution. For sample resolutions, visit the members-only section of www.michigantownships.org and search for “Property Tax Administration Fee” or “Property Taxes, Sample Resolution to Impose 3% Late Penalty,” or call (517) 321-6467.



What costs can be paid by the property tax administration fee?

MCL 211.44(3) authorizes a tax collecting unit to impose the fee to offset costs incurred in assessing property values, collecting the property tax levies, and in the review and appeal process. These costs may include the portion of the supervisor’s salary related to assessing, the salaries of the assessor and any assistants in the assessing department, printing and mailing costs related to assessment notices and tax statements and receipts, the portions of the treasurer and deputy treasurer’s salaries related to tax collection, and all

board of review and tax appeal costs. Some less obvious but applicable costs are surety bond premiums, mileage, supplies, seminar registrations and equipment purchases related to the assessing department’s function. (MCL 211.44)



Does the clerk need to assemble any tax information for the supervisor?

As the official in charge of the township’s records, the clerk is responsible for the records of any township action authorizing taxes to be levied. MCL 211.36 requires the clerk to deliver to the township supervisor and the county clerk, on or before Sept. 30, a certified copy of all statements and certificates, including records of all resolutions and votes authorizing money to be raised by taxation and the aggregate amount to be levied for township, school, highway, drain and all other purposes. If issuing a bond or note or a school tax levy has been approved by the electors before Sept. 30, the clerk may deliver a resolution after Sept. 30 authorizing additional millage to be levied.




Does the clerk have any other duties related to tax collection?

Yes. Before the supervisor or assessing officer delivers the tax roll to the township treasurer, he or she must make a detailed statement of the valuations and taxes and deliver it to the township clerk. The clerk must immediately charge the amount of taxes to the township treasurer. (MCL 211.41)

Information provided in *Financial Forum* should not be considered legal advice, and readers are encouraged to contact their township auditor and/or attorney for advice specific to their situation.

Learn more from *Financial Forum* author David Williamson at MTA’s August workshop, “Navigating the Budgeting Process.” Turn to page 24 or visit www.michigantownships.org for details.



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