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December 6, 2011

Policy Statement of the State Tax Commission Regarding Incorrectly Reported or Omitted Property (MCL 211.154) (Amended 12-6-11)

- The Commission does not have jurisdiction to hear a taxpayer request to remove personal property from the roll when the taxpayer did not file or did not timely file a personal property statement.

- The Commission does have jurisdiction to remove real property from the roll. Examples include but are not limited to: incorrect measurement, errors of inclusion – pole barn not built or placed on an incorrect parcel.

- The Commission does not have jurisdiction to add or remove property for a period before the last change of ownership of the property.

- The Commission expects assessors to provide all required information at the time of filing the 154 petition. This includes, fully filling out the form with all required information and providing a record card or applicable personal property statement(s).

- The Commission expects assessors will file to remove real or personal property when they discover a correction needs to be made and when the Commission has jurisdiction. For example, a taxpayer timely filed their personal property statements. An audit results in two years of underpayment by the taxpayer and one year of overpayment. The Commission expects the assessor to file all three years.

- The Commission does not approve of "netting out" changes. Using the above example, it would not be appropriate to "net out" the overpayment and underpayment, all three years should be filed.

- The Commission will not accept jurisdiction of a petition that is a dispute over classification. For example: the Commission will not accept jurisdiction over petitions that indicate property was incorrectly reported as industrial real when it should be industrial personal. The Commission believes this dispute should be addressed through the filing of a classification appeal and not through the filing of any MCL 211.154 petition.