STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

R. KEVIN CLINTON
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

Lansing Center, Governor's Room
333 East Michigan Avenue
Lansing, Michigan

Monday, November 4, 2013
9:00 a.m.

PRESENT: ***Douglas B. Roberts, Chair STC***
Robert H. Naftaly, Member STC
Barry S. Simon, Member STC

Kelli Sobel, Executive Director
LaNiece Densteadt, Recording Secretary

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the minutes of September 25, 2013. (Item 1 on agenda)

It was moved by Simon, supported by Naftaly, and unanimously approved to adopt the new Wind Turbine Valuation Table for a period of two years beginning with the 2014 year, with staff reporting back to the Commission at the end of the two years. (Item 2 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to allow the reconsideration of classification appeal 13-00027 but retain the prior determination of Commercial Real. The Commission allowed the reconsideration of classification appeal 13-00031 and changed the classification to Agricultural Real. The Commission allowed the reconsideration of classification appeal 13-00035 but retained the prior determination of Commercial Real. The Commission allowed the reconsideration of classification appeals 13-00043, 13-00044, 13-00146, 13-00147, 13-00148 and 13-00149 and changed the classification to Agricultural Real except for appeal 13-00147 which they retained their prior determination of Residential Real. The Commission allowed the reconsideration of classification appeal 13-00051 and retained the prior determination of Residential Real. The Commission allowed the reconsideration of 13-00141 and 13-00142 and retained the prior determination of Residential Real for appeal 13-00141 and changed the classification to Agricultural Real for appeal 13-00142. The Commission allowed the reconsideration of 13-00055 but retained the prior determination of Utility Personal. (Item 3 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the Assessor Discipline Advisory Committee's recommendation, to take no further action against Ms. Lisa Griffin but to remind her that all property improvements must be listed on the record card. (Item 4 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the Assessor Discipline Advisory Committee's recommendation to indicate to Mr. Joe Rogina that he has fulfilled his disciplinary requirements and no further action will be taken against him. (Item 4 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the Assessor Discipline Advisory Committee's recommendation to release the AMAR reviews to the local units for which Ms. Julie Krombeen assesses and ask each unit for a plan of corrective action. The Commission will also offer Ms. Krombeen the option of either successfully completing the MAAO comprehensive exam or to enroll in and successfully complete the MCAO program. Should Ms. Krombeen choose to take the comprehensive exam and fail the exam, she will be required to enroll in the MCAO program. After successfully completing the exam or the class she will be asked to appear again before the Committee for discussion. If Ms. Krombeen has any other issues arise she will be called to appear before the Committee immediately. (Item 4 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the Assessor Discipline Advisory Committee's recommendation and close the case regarding Lesley Ramlow since she has indicated she will not be renewing her certification. (Item 4 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the official orders to return the 2013 assessment roll to Fairfield Township, Lenawee County and the 2011 assessment roll to Buel Township, Sanilac County. (Items 5 and 6 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the official order to overturn the actions of Evart Township, Osceola County December Board of Review related to parcel 03-0101-004-00 for the 2012 year. (Item 7 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 11 and 12 of 2013 Personal Property Tax Changes. (Item 8 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 13 of 2013 Inflation Rate Multiplier for 2014. (Item 9 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 14 of 2013 Procedural Changes for 2014. (Item 10 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 15 of 2013 the 2014 Property Tax Calendar. (Item 11 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 16 of 2013 Qualified Errors. (Item 12 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 17 of 2013 Certified Interest Rates. (Item 13 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the updated Property Tax Exemption Forms: 1012 Industrial Facilities Tax Exemption, 3828 Air Pollution Control Exemption, 891 Water Pollution Control Exemption, 3674 Obsolete Property Rehabilitation Exemption, 4507 Commercial Rehabilitation Exemption, 4757 Commercial Facilities Exemption and 4775 Neighborhood Enterprise Zone. (Item 14 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the revised State Assessed Property Annual Reporting Forms for 2014: 1029 Telephone Form, 1028 Railroad Form, and 1027 Car Line Form. (Item 15 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the revised Personal Property Forms for 2014: 3966 Taxpayer Report of Personal Property "Move-Ins" of Used Equipment, 2698 Idle Equipment, Obsolete Equipment and Surplus Equipment Report, 2807 State of "Qualified Personal Property" by a "Qualified Business", 3595 Itemized Listing of Daily Rental Property, 3612 Itemized Listing of Daily Rental Property, 633 Distribution Personal Property Statement Electric Distribution Cooperative, 2699 Statement of "Qualified Personal Property" by a "Qualified Business", and 5076 Affidavit for Eligible Personal Property. (Item 16 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Re-certifications and New Certifications of Computerized Tax Rolls for the following: (Item 17 on agenda)

These certifications will expire on **May 1, 2016**.

New Certifications:

Alcona County
City of Harrisville

Houghton County
Schoolcraft Township

Ingham County
Meridian Township

Jackson County
Blackman Township
Norvell Township

Kent County
Courtland Township

Saginaw County
Bridgeport Charter Township
City of Saginaw

Recertifications:

Monroe County
Erie Township

Recertification Denials:

Kent County
City of Cedar Springs

Tuscola County
Arbela Township

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Special Exemptions Agenda. (Item 18 on agenda) (See attached link for file identification.)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Exemptions Agenda. (Item 19 on agenda) (See attached link for file identification.)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Concurrences**. (Item 20 on agenda) (See attached link for file identification)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Special Items Agenda**. (Item 21 on agenda) (See attached link for file identification)

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions until **December 16, 2013**. (Item 22 on agenda)

City of Highland Park, Wayne County

154-13-0746 DTE ENERGY COMPANY; 82-43-999-00-0616; Personal-Utility Property

2011 AV from $ 7,150,700 to $ 7,205,854 TV from $ 7,150,700 to $ 7,205,854
2012 AV from $ 8,880,700 to $ 10,477,600 TV from $ 8,880,700 to $ 10,477,600

It was moved by Naftaly, supported by Simon, and unanimously approved to **amend** the following MCL 211.154 petitions. (Item 22 on agenda)

Benton Township, Berrien County

154-13-0673 CHARLES D. & SARA J. LONG; 11-03-0030-0067-00-9; REAL PROPERTY

2011 AV from $ 85,200 to $ 22,000 TV from $ 50,075 to $ 34,443
2012 AV from $ 70,000 to $ 22,000 TV from $ 51,427 to $ 35,372

Albert Township, Montmorency County

154-13-0171 DELTA OIL CO. INC; 60-001-900-000-405-00; Personal-Utility Property

2011 AV from $ 1,400 to $ 102,000 TV from $ 1,400 to $ 102,000
2012 AV from $ 1,400 to $ 102,000 TV from $ 1,400 to $ 102,000
2013 AV from $ 1,400 to $ 102,000 TV from $ 1,400 to $ 102,000

Avery Township, Montmorency County

154-13-0172 DELTA OIL CO. INC.; 60-002-900-000-230-00; Personal-Utility Property

2011 AV from $ 10,000 to $ 357,000 TV from $ 10,000 to $ 357,000
2012 AV from $ 10,000 to $ 357,000 TV from $ 10,000 to $ 357,000
2013 AV from $ 10,000 to $ 357,000 TV from $ 10,000 to $ 357,000

Briley Township, Montmorency County

154-13-0173 DELTA OIL CO. INC.; 60-003-015-000-899-00; REAL PROPERTY

2011 AV from $ 0 to $ 61,684 TV from $ 0 to $ 61,684
2012 AV from $ 0 to $ 61,684 TV from $ 0 to $ 61,684
2013 AV from $ 0 to $ 61,684 TV from $ 0 to $ 61,684

154-13-0174 DELTA OIL CO. INC.; 60-003-900-000-115-00; Personal-Utility Property

2011 AV from $ 67,700 to $ 2,023,000 TV from $ 67,700 to $ 2,023,000
2012 AV from $ 67,700 to $ 2,023,000 TV from $ 67,700 to $ 2,023,000
2013 AV from $ 67,700 to $ 2,023,000 TV from $ 67,700 to $ 2,023,000

Montmorency Township, Montmorency County

154-13-0176 DELTA OIL CO. INC.; 60-006-900-000-011-00; Personal-Utility Property

2011 AV from $ 1,900 to $ 306,000 TV from $ 1,900 to $ 306,000
2012 AV from $ 1,900 to $ 306,000 TV from $ 1,900 to $ 306,000
2013 AV from $ 1,900 to $ 306,000 TV from $ 1,900 to $ 306,000

Vienna Township, Montmorency County

154-13-0175 DELTA OIL CO. INC.; 60-008-900-000-490-00; Personal-Utility Property

2011 AV from $ 6,900 to $ 391,000 TV from $ 6,900 to $ 391,000
2012 AV from $ 6,900 to $ 391,000 TV from $ 6,900 to $ 391,000
2013 AV from $ 6,900 to $ 391,000 TV from $ 6,900 to $ 391,000

Vienna Township, Montmorency County

154-13-0177 DELTA OIL CO. INC.; 60-008-900-000-460-00; Personal-Utility Property

2011 AV from $ 15,200 to $ 544,000 TV from $ 15,200 to $ 544,000
2012 AV from $ 15,200 to $ 544,000 TV from $ 15,200 to $ 544,000
2013 AV from $ 15,200 to $ 544,000 TV from $ 15,200 to $ 544,000

City of South Haven, Van Buren County

154-13-0573 CARDIOLOGY II PC; 80-53-900-311-00; PERSONAL PROPERTY

2011 AV from $ 1,600 to $ 56,440 TV from $ 1,600 to $ 56,440
2012 AV from $ 11,200 to $ 70,560 TV from $ 11,200 to $ 70,560

It was moved by Naftaly, supported by Simon, and unanimously approved the following MCL 211.154 petitions as **concurrences,** initially noticed as non-concurrences. (Item 22 on agenda)

Delhi Charter Township, Ingham County

154-13-0730 DELL EQUIPMENT FUNDING LP; 33-25-05-90-943-059; Personal Property

2013 AV from $ 0 to $ 700 TV from $ 0 to $ 700

154-13-0732 MAAKS, INC.; 33-25-05-90-914-091; PERSONAL PROPERTY

2013 AV from $ 69,000 to $ 98,900 TV from $ 69,000 to $ 98,900

154-13-0733 KRISHNAN, RAJEEV & PADMANABHAN; 33-25-05-19-104-006; Personal Property

2013 AV from $ 15,000 to $ 93,300 TV from $ 15,000 to $ 93,300

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt all other MCL 211.154 petitions. (See attached link for file identification.) (Item 22 on agenda)

Public Comment (Item 23 on agenda): No member of the public wished to comment.

Michigan Certified Assessing Officer Graduation (Item 24 on agenda):

Ms. Sobel spoke regarding the MCAO program: Next on the agenda is something the Commission thoroughly enjoys each time we get to do this, which is graduation for our entry level program. We actually have two classes graduating today St. Ignace and Lansing. This is our first UP class we ran. I know the students do not know this but in our minds there was a little competition between the two classes. It was exactly the same material being taught and we were watching all throughout the program to see which was doing better. The UP class did do better overall by two percentage points. It was also interesting to see that it was that close throughout with different instructors. It is exciting we had 17 students graduate in the St. Ignace Class and 16 in the Lansing Class for a total of 33.

We are taking applications right now for our January classes which will again have a UP Class and a Lansing Class. We have 32 applications for the UP and over 70 for Lansing. Clearly, there are quite a few people interested in the program. For those students don't know, the Commission at their last meeting ended the three year pilot for their educational programs. They received recommendations from the instructors and staff on what to do with the programs. They did not make any changes to the entry level program other than shortening the program down a little bit. There were a couple of changes to the Advanced Program and some fairly significant changes to the Master Level Program. We hope you will all move on to your Advanced Level once you have completed this program.

We do have some great instructors, Dick Steffens, Lynne Houston, Bob Brandmier, and Pete Arbour all taught in the Lansing Class. They are fabulous and really do work hard and enjoy teaching. Then we have Sharon Kennedy and Pat Suboski who team teach in the UP Class and they are fabulous. I know they were both a little weary of the program when it started but now they absolutely love the program. We want to thank all of the instructors for all of their hard work and tireless dedication and then of course Nancy who takes care of the students and watches them all on a daily basis. It is really a lot of work; we have hanging on our wall all of the schedules of all the classes and you just can't imagine how rewarding it is to take two down before two more start in January. The instructors and staff are formally recommending to the Commission who should be approved as a Michigan Certified Assessing Officers. As I call your name if you could stand up and then afterwards you can see Nancy to receive your diploma and your official certificate. You will all then be Michigan Certified Assessing Officers.

With that, Nancy and I and the instructors are recommending the following individuals be given their certification as Michigan Certified Assessing Officers with immediate effect:

St. Ignace Class

Elizabeth E. Anderson	Patricia A. Aprea	Ruth Ann Braun
Emily M. Bruce	Kandace R. Curran	Sydney E. Curry
Paula M. Fillman	Timothy P. Gasperich	Beverly D. Hamel-Gravis
Amy L. Isaacson	Babette J. Jokela	Diane M. Purgiel
Sharon M. Staffan	Lee Anne Strand	Donald E. Willson
Pauline V. Somers	Richard Oliver	

Lansing Class

Rosemary A. Anger	Ivan R. Burkhard	David R. Cox
Barbara C. Eaton	Lisa Freeman	Andrew J. Hale
Tony Hobyak	Eugene E. Jarvis	Charles K. Kampmueller
Seth Lattimore	Kyle B. Ogle	Wallace Schneider
Daniel D. Slone	Carrie E. Soto	Robert C. Welch II
Scott M. Williams		

Chairman Roberts stated the following: As Chair it is my privilege to make the motion to approve. I would just like to say as part of the motion how proud I am of all 33 graduates. The fact of the matter is in my opinion, certification is equal to professionalism and what we are trying to do is make assessing a good job but also a professional one. Equitable assessing and fair assessing really begins with the local assessor and there is nothing we can do sitting at this

table to change very much if things are not done reasonably well at the local level. Also, before finishing my general motion to approve, there is another person that needs to be thanked and that is Kelli. Kelli does a terrific job and I just want to give my thanks. With that, I officially make a motion to approve the names read as Michigan Certified Assessing Officers.

Commissioner Simon stated the following: I guess it is too cold for the men in the UP because there is only one man that made it! I would like to thank first of all the instructors and all the staff that worked on getting this all together. And of course, congratulate all the graduates and hopefully we will be able to see you get your next level of certification.

Commissioner Naftaly stated the following: I would also like to thank Nancy, Kelli and the instructors. This is probably one of the best accomplishments of the State Tax Commission to ensure the fact we have quality people working out in the field. We thank you for taking the time to go through the class. I think the taxpayers may not understand that your training is going to be helpful to them but it is the beginning in the life blood of this whole system. Without trained assessors there is no system. Thank you all for putting the time in and we appreciate it and thank you for being a part of this process.

It was moved by Roberts, supported by Naftaly, and unanimously approved to certify the assessors identified by Ms. Sobel as Michigan Certified Assessing Officers.

Students were issued their diplomas and certificates.

The next Commission meeting will be held December 16, 2013 at the Lansing Center in Room 201, 333 East Michigan Avenue, Lansing.

It was moved by Roberts, supported by Naftaly, and unanimously approved to adjourn the meeting of the State Tax Commission at 11:15 a.m.

DATE TYPED: **November 5, 2013**

DATE APPROVED: **December 16, 2013**

Douglas B. Roberts, Chair
State Tax Commission

Robert H. Naftaly, Member
State Tax Commission

Barry N. Simon, Member
State Tax Commission