

TO: Assessing Officers
FROM: State Tax Commission

No. 10 - October 8, 1985
Opinions - Tribunal Decision

STATE OF MICHIGAN

FRANK J. KELLEY, ATTORNEY GENERAL

TAXATION: Assessment of true cash value of property reviewed by Tax Tribunal
Tax Tribunal -- effect of final decision upon assessment of property

TAX TRIBUNAL: Effect of final decision upon assessment of property

The assessment rolls of a local unit of government must be adjusted to conform to the final decision of the Tax Tribunal determining the lawful property assessment of a particular parcel or parcels of property listed on the assessment roll.

The decision of the Tax Tribunal, unless reversed, remanded, or modified on appeal, is final and conclusive as to all parties, including local governmental units, its officers, and agents.

The final decision of the Tax Tribunal determining the lawful assessment of property is binding upon all the parties for all the tax years appealed only.

An assessor may, based upon true cash market value factors, establish an assessed valuation of a particular parcel of property different from that established by the Tax Tribunal in a year subsequent to the year appealed to the Tax Tribunal.

Opinion No. 6313

Honorable William Faust
State Senator
The Capitol
Lansing, Michigan

AUG 13 1985

You have requested my opinion on a number of questions dealing with the Michigan Tax Tribunal.

Your first question is:

After the Tax Tribunal has rendered a decision on the true cash value and resultant assessed value of a property, should the assessment rolls of the local unit of government be adjusted to reflect the Tax Tribunal's decision?

The Tax Tribunal Act, MCL 205.755(1); MSA 7.650(55)(1),
in pertinent part, provides:

"Within 20 days after entry of the order, the officers charged with keeping the rolls on which the affected assessments and tax are spread shall correct the rolls"

It is my opinion, therefore, that once the Tax Tribunal has issued an order determining the lawful property assessment of a particular parcel of property, and after the time period for an appeal has passed, the assessment roll of the local unit of government must be adjusted to conform to the decision of the Tax Tribunal.

Your second question is:

Is the decision of the Tax Tribunal binding on the assessor of the local unit?

MCL 205.752(1); MSA 7.650(52)(1), provides, in pertinent part, that:

"A decision and order of the tribunal is final and conclusive on all parties unless reversed, remanded, or modified on appeal."

While the assessor of a local unit of government is not a party to an assessment appeal before the Tax Tribunal, the local unit of government employing the assessor is.

It is my opinion, therefore, that a decision of the Tax Tribunal, unless reversed, remanded, or modified on appeal, is final and conclusive as to the local governmental unit, its officers, and agents.

Your third question is:

If the true cash value of a parcel of property remains unchanged, is a decision of the Tax Tribunal entered in a prior year binding as to subsequent years?

The answer to your third question is found in MCL 205.753(4); MSA 7.650(53)(4), which states:

"A decision of the tribunal as to the assessment of real property is binding for the first year of assessment which is determined in the proceeding before the tribunal."

From the above, it is clear that a final decision of the Tax Tribunal as to the true cash value and resultant assessed value of real property is binding for all the tax years that were appealed.

It is my opinion, therefore, that a final decision of the Tax Tribunal, as to the lawful assessment of property, is binding on all parties for all the tax years appealed only.

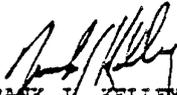
Your fourth question is:

May an assessor in subsequent years alter a valuation determined by the Tax Tribunal in a preceding year?

The assessment of property for ad valorem taxation purposes is a yearly process, MCL 211.10; MSA 7.10, and the assessor must determine an assessment every year. As indicated in the answer to your third question, a determination as to lawful assessment by the Tax Tribunal is not binding as to subsequent tax years not included in the original appeal. Therefore, an assessor, if he determines that a change in an assessment is warranted based upon the true cash market value factors, may alter the valuation of property.

The taxpayer may appeal the new assessment to the Tax Tribunal. Further, under MCL 205.752(1); MSA 7.650(52)(1), costs may be awarded to the taxpayer by the Tax Tribunal if such an award is appropriate.

It is my opinion, therefore, in answer to your last question, that an assessor may, based upon the true cash market value factors in a year subsequent to that appealed to the Tax Tribunal, establish an assessed valuation different than that established by the Tax Tribunal in a preceding tax year.


FRANK J. KELLEY
Attorney General