



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JAY B. RISING
STATE TREASURER

September 2, 2004

Dear

The State Tax Commission, at its meeting on August 24, 2004, directed that a letter be sent to the assessors in jurisdictions that are participating in the Audit Grant Program informing them of the Commission's position on several important matters.

It is the position of the State Tax Commission, after consultation with legal counsel, that units of local government are authorized to directly engage third parties to conduct personal property tax audits of Michigan taxpayers. I have enclosed a copy of an informal letter from Chief Deputy Attorney General Carol L. Isaacs which supports the position of the State Tax Commission. Nothing in Section 22a of Public Act 206 of 1893, the General Property Tax Act, Section 148 of the Act, or the Michigan Court of Appeals decision in *General Motors Corporation v State Tax Commission*, supports a contrary conclusion.

It is the position of the State Tax Commission, after consultation with legal counsel, that MCL 211.22a(1) gives a certified personal property examiner the authority to examine either the property or the cost records, or both, of a company having personal property in the examiner's assessment jurisdiction. The certified personal property examiner is not limited by Section 22a(1) to an examination of only one of the above.

Finally, the Commission has determined that it is prepared to issue subpoenas requiring production of records, where necessary, so that audits can be completed. The assessor must write to the Commission requesting such an issuance.

Please feel free to transmit copies of this letter to interested parties.

Sincerely,

Dennis W. Platte, Executive Secretary
State Tax Commission

Enclosure