

STATE TAX COMMISSION

POLICY STATEMENT

DNR/PILT PAYMENTS (PUBLIC ACT 513 OF 2004)

At a meeting of the State Tax Commission held on December 4, 2009, the Commission reviewed the matter of payment in lieu of tax for property owned by the DNR and established the following policy in accordance with Public Act 513 of 2004.

As provided by Public Act 513 of 2004, Section 2153(6)(c) states that a local unit cannot levy “any millage in excess of the millage rate levied in 2004.” The Commission determines this to mean that a local unit of government may not levy a yearly millage for DNR owned property which exceeds the 2004 total millage rate. In addition, the Commission determines that Public Act 513 of 2004 does not allow a local unit of government to levy more than its actual total millage rate in any given year. Public Act 513 of 2004, nor Public Act 206 of 1893, allows a local unit of government to levy in excess of actual millage rates.

Effective immediately, a local unit of government may submit a warrant to the Department of Treasury for Payment in Lieu of Tax for parcels owned by the Department of Natural Resources levying either the current year’s total millage rate for the local unit or the total millage rate levied in 2004, whichever is less. A local unit may levy any individual tax within the total millage rate regardless of the type of tax, as long as the total millage rate of the current year does not exceed the total rate levied by the local unit in 2004.