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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
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DIRECTOR

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Dear Tax Tribunal Practitioner:

Small Claims Answer Form

As we begin a new filing season, the Tribunal reminds Respondents (and their representatives) that they are required to file Answers to Petitions on the Tribunal's form or in the form of a written response that is in substantial compliance with the tribunal's form. (TTR 279) It is important that Section 2 of the Answer form be completed and that Respondent identifies the appropriate county. Further, for property tax contested cases, a copy of the notice or action taken by the local board of review for the assessments being appealed shall be attached. For non-property tax contested cases, a copy of the final notice of assessment or other order being appealed shall be attached. Finally, if Respondent fails to use the Tribunal's revised answer forms, available on our website, the Tribunal may place the party in default and order a revised answer, on the appropriate form, be filed.

Service of Motions

The Tribunal continues to receive motions that lack proof that these motions have been served on the opposing party. You are reminded that TTR 225 provides that "motions must be served concurrently on all other parties of record unless an attorney or authorized representative has filed an appearance on behalf of those parties and then service shall be made on the attorney or authorized representative and proof of service shall be filed with the clerk." The failure of a party to provide proof of service of a motion on the opposing party will result in the placement of the motion in abeyance and an order requiring the filing party to serve the opposing party and file proof of service with the Tribunal. A failure to comply with the Tribunal's order may result in the denial of the motion.

Poverty Appeals

Respondents are reminded that for poverty appeals to the Tribunal, they should provide to the Tribunal a copy of the guidelines adopted by their respective boards or councils with respect to approval of a request for hardship exemption.

Stipulations Submitted at Small Claims Hearings

Stipulations resolving a small claims appeal may be presented at the regularly scheduled hearing for the appeal, whether being conducted by a Tribunal Member, Administrative Law Judge, or a

Hearing Referee. However, payments of requisite fees will not be accepted at the hearing, but must be submitted to the Tribunal by mail. If a properly completed stipulation is presented at the hearing, including appropriate signatures, the scheduled hearing will not be held. Consent Judgements will be issued by the Tribunal so long as the appropriate fee is timely remitted to the Tribunal.

Court of Appeals Decisions

Hattem A. Beydoun v City of St. Clair Shores, unpublished opinion per curiam of the Court of Appeals, issued March 17, 2015 (Docket No. 319664).

In this valuation case, Petitioner contends that the Tax Tribunal erred because it relied on Respondent's analysis of nine sold properties comparable to the subject rather than on Petitioner's purchase price and Petitioner's analysis of the assessed values of neighboring properties. The Court of Appeals held that because Petitioner's argument attacks the Tribunal's evaluation of the evidence presented, rather than the Tribunal's methodology, and because the Tribunal's determination of value was supported by competent, material and substantial evidence, the Tribunal's TCV finding for the subject property must be affirmed.

SBC Health Midwest, Inc. v City of Kentwood, unpublished opinion per curiam of the Court of Appeals, issued March 19, 2015 (Docket No. 319428)

Petitioner appealed from the Tribunal's granting of Summary Disposition in favor of Respondent. Petitioner argues that "MCL 211.9(1)(a) exempts from taxation personal property of educational institutions . . . without regard to whether the institution is for profit and that the Tax Tribunal erred in reading and applying the requirement of nonprofit status set forth in MCL 211.7n into MCL 211.9(1)(a)." At the hearing, the Tribunal determined that "when the two statutes . . . are read together, the most recent and specific of the two, being MCL 211.7n must prevail if there is any conflict between the two[.]" and concluded that "MCL 211.7n exempts from taxation only real estate and personal property owned and occupied by nonprofit institutions [and] petitioner was not entitled to an exemption under MCL 211.7n or, by relevant interpretation, MCL 211.9(1)(a)." The Court of Appeals ("the Court") reversed and remanded the Tribunal's decision. The Court held that because MCL 211.9(1)(a) exempts from taxation personal property which is owned by a charitable, educational or scientific institution, the Tribunal erred in relying on MCL 211.7n that would require Petitioner to maintain nonprofit status for the purposes of an educational institution exemption. The Court held that "MCL 211.9(1)(a) does not require that an educational institution be nonprofit in order to qualify for the personal property exemption.