



RICK SNYDER
GOVERNOR

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

MICHAEL ZIMMER
DIRECTOR

June 2, 2015

Dear Tax Tribunal Practitioner:

State Tax Commission – Seizure of Assessment Rolls

Last week, the STC seized the rolls of the following municipalities:

Delaware Township, Sanilac County (2011)
Holland Township, Missaukee County (2013)
Dalton Township, Muskegon County (2013)
Laketon Township, Muskegon County (2013)
Liberty Township, Wexford County (2013)
Pittsfield Township, Washtenaw County (2014)
L'Anse Township, Baraga County (2015)
Baraga Township, Baraga County (2015)
Billings Township, Gladwin County (2015)
Bourret Township, Gladwin County (2015)
Laird County, Houghton County (2015)
City of Houghton, Houghton County (2015)
City of Menominee, Menominee County (2015)
City of Dexter, Washtenaw County (2015)
Scio Township, Washtenaw County (2015)
Webster Township, Washtenaw County (2015)

The Tribunal recognizes the impact of the STC's seizure of these assessment rolls and, after discussions with the STC, has decided to place all pending appeals for the above-named municipalities and tax years in abeyance until the assessment rolls are returned to the affected jurisdictions. Because the Tribunal will only place an appeal in abeyance for the specific tax year applicable to the seizure of the roll, the Tribunal will, for example, proceed with a 2014 City of Houghton appeal, but will sever the 2015 tax year from the appeal and place that year in abeyance. Separately, the Tribunal will not accept Stipulations for cases placed in abeyance as discussed above.

Processing Issues – Default Orders and Notices of No Action

Currently, the Tribunal audits petitions and answers and issues orders holding a party in default for defects or deficiencies. The default orders require a party to correct any defects or deficiencies by filing a motion to set aside the default, pay the appropriate filing fee, and, in the case of a corrected answer, submit a proof of service showing service of the corrected answer on



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the petitioner. Effective June 8, 2015, in such situations, the Tribunal will continue to issue default orders, but will not require the filing of motions to set aside the default, the payment of motion fees, or the filing of a proof of service, where applicable. If a party timely cures the default, the Tribunal will issue an order setting aside the default, with language informing the opposing party that the documents filed to cure the default can be viewed on the Tribunal's website. If the default is not timely cured, the Tribunal will issue an order extending the time for a party to cure the default and will then require a motion to set aside the default with appropriate filing fee and proof of service.

In its auditing of petitions and motions, the Tribunal issues Notices of No Action ("NNA") when a party fails to pay required fees. Effective immediately, the Tribunal will expand its issuance of NNA's to include a failure by a party to submit a proof of service (e.g., motions, exceptions, withdrawal requests, errata requests, telephonic hearing requests, hear on file requests). The NNA issued by the Tribunal would state that the motion, exceptions, or requests are not properly pending before the Tribunal and will not be considered until a party has filed the required proof of service. If the proof of service is timely filed, the filing will be deemed to have been filed as of the original submission date and the Tribunal will then take action to address the issues presented in that filing.

Notices Issued by Taxing Jurisdictions

In its April 15, 2013 GovDelivery, as well in subsequent publications, the Tribunal has made it clear that appeals initiated by letter will not be accepted and will result in a Notice of No Action issued to the petitioner. It has come to our attention that many assessing jurisdictions continue to issue Notices of Assessment or related notices informing taxpayers that they may file a written appeal letter with the Tribunal. Please ensure that all notices to the public informing them of their appeal rights clearly state that appeals must be made pursuant to Tribunal rules.

Miscellaneous

The Tribunal requests that taxing jurisdictions filing Answers to Petitions identify the appropriate county in which the property is located.

The Tribunal also requests that when filing motions, requests, etc. by mail, please submit these documents one-sided rather than double-sided. This will make life much easier for clerical staff scanning documents into our Caseload case management system.

The Tribunal reiterates that it will not accept any documents sent through email. Parties can either e-file documents or submit them to the Tribunal through the mail.



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Court of Appeals Decisions

JMC 1, LLC and 1642 Broadway, LLC v City of Grand Rapids, unpublished opinion per curiam of the Court of Appeals, issued May 12, 2015 (Docket No. 320483).

From a consent judgment entered for the 2012 tax year, Petitioners appealed three related decisions of the MTT: (1) denial of a January 14, 2014 motion to amend an April 24, 2013 motion to amend; (2) an August 15, 2013 order vacating its May 31, 2013 order granting the April 24, 2013 motion to amend; and (3) a September 17, 2013 order denying a motion for reconsideration of the August 15, 2013 order. Petitioners argued that they properly invoked the Tribunal's jurisdiction over the 2013 tax year when they filed their April 24, 2013 motion to amend. The April 24, 2013 motion, however, was filed by Property Tax Consultants on behalf of JMC, and the Court of Appeals, citing its decision in *Spartan Stores, Inc v City of Grand Rapids*, 307 Mich App 565; __NW2d__(2014), held that JMC, which sold the subject property to 1642 Broadway in December 2012, did not have a property interest in the subject property in 2013. Accordingly, it was not a party in interest eligible to invoke the Tribunal's jurisdiction over that tax year. The Court also held that the Tribunal did not abuse its discretion in denying Petitioners' motion to amend the April 24, 2013 motion, as Broadway did not appear before the Tribunal until 2 weeks after the filing deadline for the 2013 tax year: "The effect of petitioners' request . . . would be to relate the June 14, 2013 addition of Broadway (if effective) back to the April 24, 2013. Ordinarily, an amendment that adds a new party does not relate back . . . , and petitioners cite no authority that would allow the MTT, or require this Court to compel the MTT, to grant a motion effectively circumventing both the relation-back doctrine and the statutory deadlines governing the MTT's exercise of Jurisdiction." The Court also found Petitioners' reliance on the misnomer doctrine misplaced, as that doctrine is inapplicable where a party seeks to substitute or add a wholly new and different party to the proceedings.