



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

NICK A. KHOURI  
STATE TREASURER

## ***MINUTES OF THE MEETING OF THE STATE TAX COMMISSION***

***Holiday Inn Express and Okemos Conference Center,  
Okemos A & B Rooms  
2187 University Park Drive, Okemos, Michigan***

***Monday, October 30, 2017  
9:00 a.m.***

***PRESENT: Douglas B. Roberts, Chair STC  
W. Howard Morris, Member STC  
Leonard D. Kutschman, Member STC  
  
Heather S. Frick, Executive Director  
LaNiece Denstead, Recording Secretary***

**The item numbers referred to in the minutes correspond to the agenda items as numbered.**

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the minutes of September 18, 2017. (Item 1 on agenda)

Public Comment – Agenda Items 3-30 Only (Item 2 on agenda):

Eric Schneider appeared before the Commission on behalf of the City of Memphis regarding agenda item 24, the official order regarding the City of Memphis, Macomb County. Mr. Schneider stated the following: “As the Mayor of the City of Memphis, I respectfully request that you set aside the pending motion to assume jurisdiction of our 2017 ad valorem assessment roll. I believe such an action would add an economic burden on the City. Following the meeting of June of 2017, the following events transpired:

- We attended a SEMCOG GIS meeting to improve access and development of our support network.
- We have met with Macomb County planning officials about creating a comprehensive map of the City in both Macomb and St. Clair counties.
- We have been working with Macomb County GIS officials to link the county mapping with our BS&A software. Which so far has been unsuccessful.
- We have attended an AMAR training in Midland, Michigan.
- We have attended the MiCAMP (GIS) conference in Boyne, Michigan.
- We contacted BS&A, to have them come out to connect county links to our database.

- We will complete the 2018 Economic Condition Factor Maps and supporting documentation of all classes of property.
- We will complete the 2018 Land Value Maps and supporting documentation for all classes of property.
- We will utilize all of the necessary resources, including outside support to ensure that this issue is resolved and I appreciate your consideration.”

Jamie Berra appeared before the Commission regarding agenda item 24, the official order to assume jurisdiction regarding the City of Memphis, Macomb County. Mr. Berra stated the following: “I am the assessor for the City of Memphis, we work part time and we report to two different counties. One of the difficulties is that we do not have a lot of money. The whole community between both counties represents 550 parcels and the commercial and industrial for which the land value maps and ECF’s that were incomplete represent 39 parcels total. A reappraisal of the community would certainly be well over \$25,000. We didn’t have the resources available to us prior to this last year. Through other communities that I work with and through Costar I have been given access to use that data to create ECF maps because we had no sales. We had no sales in 2014 that we could apply and we are on the outskirts of the county. Without having a resource to the data, it is difficult, we have that resource now and we will get this done this year for the 2018 roll. If this Commission could so see it to allow us to go forward.”

Robert Thall and Patrick Couch appeared before the Commission regarding agenda items 20 and 26, the official orders to assume jurisdiction regarding the City of Galesburg, Kalamazoo County and Otsego Township, Allegan County. Mr. Thall stated the following: “We respectfully request the proposed orders not be entered. It is my understanding that the City and Township rolls are not in bad shape, in fact, they are in pretty good shape. They have been working with the Assessor, Daniel Kirwin with BS&A Software, and I have given you a statement from him regarding the shape of their database and their assessment roll. He could not be here today that is why I am providing his statement. Essentially with Mr. Kirwin working with the municipalities we think that the assessment rolls will be just fine for 2018 and that they are sufficient for 2017. I have with me today the assessor for the municipalities and he will assure you that the rolls are appropriate.”

Patrick Couch stated the following: “I am the assessor for the City of Galesburg and Otsego Township. I am working with Dan Kirwin to make sure that our Economic Condition Factors (ECF)s and Land Value Maps are acceptable to the State Tax Commission. I had an issue with getting the data for the ECFs and Land Values to the Commission. I did present it to the State Tax Commission after the date of the AMAR review. I will continue to work with Dan Kirwin to assure that our ECFs and Land Values are correct.”

No other member of the public wished to speak at public comment on agenda items 3-30.

It was moved by Kutschman, supported by Morris, and unanimously approved Bulletin 16 of 2017 Inflation Rate Multiplier. (Item 3 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved Bulletin 17 of 2017 Property Tax and Equalization Calendar for 2018. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved Bulletin 18 of 2017 Recalculating Taxable Values. (Item 5 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved Bulletin 19 of 2017 Interest Rates on MTT Judgments. (Item 6 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved Bulletin 20 of 2017 Transfer of Ownership. (Item 7 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the updated Transfer of Ownership Guidelines. (Item 8 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved the revised memorandum regarding State Tax Commission Electronic Communications – GovDelivery. (Item 9 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved the memorandum regarding the Change in Submission Requirements for Principal Residence Exemption Forms. (Item 10 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the 2018 System Economic Factors for Electric Cooperatives. (Item 11 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the updated Frequently Asked Questions for New Personal Property Exemptions (PA 328 of 1998, as amended) and Form 3427 – Application for Exemption of New Personal Property. The Commission also approved to rescind Bulletin 9 of 1998 and Bulletin 9 of 1999. (Item 12 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved the revised Form 4775 – Application for Neighborhood Enterprise Zone Certificate. (Item 13 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved the State Assessed Property Annual Reporting Forms for 2018 – Car Line Form 1027, Railroad Form 1028 and Telephone Form 1029. (Item 14 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved the 2018 Form 4435 – Electronic Signature Declaration for Annual Property Reports for State Assessed Telephone, Railroad and Car Line Entities. (Item 15 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved Form 1019 – Notice of Assessment, Taxable Valuation, and property Classification, 3128 – Taxable Value Calculations Worksheet, 4093 – Notice of Assessment, Taxable Valuation (including Leasehold Improvements) and Property Classification. (Item 16 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the official order to certify and return the 2016 Assessment Roll to Hope Township, Barry County. (Item 17 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to certify and return the 2013 Assessment Roll to Dalton Township, Muskegon County. (Item 18 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to certify and return the 2016 Assessment Roll to Butman Township, Gladwin County. (Item 19 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to postpone assuming jurisdiction of the 2017 Assessment Rolls for the City of Galesburg – Kalamazoo County, City of Gaylord – Otsego County, City of Zilwaukee – Saginaw County, Zilwaukee Township – Saginaw County, City of Memphis – Macomb County, Ingham Township – Ingham County and Otsego Township – Allegan County. The Commission directed staff to request that the local units at issue provide additional information regarding their progress for the 2018 assessment roll. These agenda items were postponed to the Commission's December 12, 2017 meeting. (Items 20 – 26 on agenda)

It was moved by Morris, supported by Kutschman and unanimously approved to refer Mr. Patrick Couch, Ms. Deborah Dunham, Mr. Michael Foust and Mr. Wayne Kinne to the Michigan Administrative Hearing System for a formal hearing regarding their certification in assessment administration. (Item 20 – 26 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved the official order to direct Beck & Fisher Investment, LLC to file a 2016 Personal Property Statement on parcel number 19090-008-400-017-00 pursuant to the Clinton County Circuit Court Opinion 16-11599-AA. The order also directs the assessor of Greenbush Township, Clinton County to correct the 2016 assessment roll to remove the two bulk storage propane tanks from parcel number 19090-008-400-017-00 and place them on parcel number 19090-900-027-002-00 within 30 days of receipt of the 2016 personal property statement from Beck & Fisher Investment, LLC. (Item 27 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to allow the reconsideration of classification appeal 17-004 and change the classification of parcel 30-09-003-300-003-03-6-1 to Agricultural Real. The Commission approved to postpone the reconsideration of classification appeal 17-013 to their November 28, 2017 meeting. The Commission also allowed the reconsideration of classification appeal 17-016 but retained the prior determination of Residential Real. (Item 28 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the legislative report for Neighborhood Enterprise Zone Homestead Exemption Report for the 2016 Tax Year. (Item 29 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved staff's recommendation to proceed forward with the implementation of the Michigan Department of Treasury's Business Process Review Initiative to implement an integrated web based State Equalization system beginning with the 2019 cycle. The BPRI is part of the Michigan Department of Treasury's continuous improvement efforts and commitment to process enhancement. (Item 30 on agenda)

It was moved by Kutschman, supported by Morris, and approved to adopt the staff recommendations on the Special Items Exemptions Agenda for Certificate Numbers N-2015-081 and N-2015-101. It was moved by Kutschman, supported by Roberts, and approved to grant a three-year construction period for Certificate Number 2012-356 for Henrob Corporation. (Item 31 on agenda) ([See attached link for file identification.](#))

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the staff recommendations on the Exemptions Agenda. (Item 32 on agenda) ([See attached link for file identification.](#))

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the MCL 211.154 **Concurrences**. (Item 33 on agenda) ([See attached link for file identification](#))

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt staff recommendations on MCL 211.154 petitions 154-17-0380, 154-17-0381, 154-16-0774, 154-16-0796, 154-16-0933, 154-17-0479 and 154-16-0887 on the **Special Items Agenda**. It was moved by Roberts, supported by Morris, and approved to deny the reconsideration of MCL 211.154 petition 154-17-0262 on the Special Items Agenda. (Item 34 on agenda) ([See attached link for file identification](#))

It was moved by Kutschman, supported by Morris, and unanimously approved the following MCL 211.154 petitions as a **concurrence**, initially noticed as a non-concurrence. (Item 35 on agenda)

**City of Allegan, Allegan County**

**154-17-0368** JERRY DUESTERBERG 03-51-380-002-00  
REAL PROPERTY  
2017 AV from \$ 0 to \$ 53,300 TV from \$ 0 to \$ 45,237

**Quincy Township, Branch County**

**154-17-0415** LUKAZCEK EXCAVATING & DRAINAGE LLC 12-080-900-006-045-00  
PERSONAL PROPERTY  
2017 AV from \$ 236,637 to \$ 235,734 TV from \$ 236,637 to \$ 235,734

**Winterfield Township, Clare County**

**154-17-0416** HERBERT P. & TERRI A. BECKER 18-001-600-015-00  
REAL PROPERTY  
2017 AV from \$ 0 to \$ 23,900 TV from \$ 0 to \$ 19,407

**Genesee Township, Genesee County**

**154-17-0444** ANDY HUMPHREYS 11-33-577-001  
REAL PROPERTY  
2017 AV from \$ 0 to \$ 45,300 TV from \$ 0 to \$ 35,204

**Delhi Township, Ingham County**

**154-17-0417** INGHAM COUNTY LAND BANK 33-25-05-22-230-014  
REAL PROPERTY

2015 AV from \$ 13,300 to \$ 0 TV from \$ 10,773 to \$ 0

2016 AV from \$ 13,300 to \$ 0 TV from \$ 10,805 to \$ 0

2017 AV from \$ 11,000 to \$ 0 TV from \$ 10,902 to \$ 0

**City of East Lansing, Ingham County**

**154-17-0435** EVENTS TO RENT, INC. 33-20-90-37-767-700  
PERSONAL PROPERTY

2017 AV from \$ 1,300 to \$ 0 TV from \$ 1,300 to \$ 0

**154-17-0436** DJO, LLC 33-20-90-41-560-020  
PERSONAL PROPERTY

2017 AV from \$ 1,700 to \$ 0 TV from \$ 1,700 to \$ 0

**154-17-0437** JEFF BROWN 33-20-90-43-212-900  
PERSONAL PROPERTY

2016 AV from \$ 400 to \$ 0 TV from \$ 400 to \$ 0

**154-17-0438** SHAWN O'BRIEN 33-20-90-49-748-100  
PERSONAL PROPERTY

2017 AV from \$ 1,800 to \$ 0 TV from \$ 1,800 to \$ 0

2016 AV from \$ 500 to \$ 0 TV from \$ 500 to \$ 0

**154-17-0439** DESIGN ESSENTIALS 33-20-90-55-017-061  
PERSONAL PROPERTY

2017 AV from \$ 1,300 to \$ 0 TV from \$ 1,300 to \$ 0

**154-17-0440** EVENT FLORAL DESIGN 33-20-90-55-017-062  
PERSONAL PROPERTY

2017 AV from \$ 1,300 to \$ 0 TV from \$ 1,300 to \$ 0

**154-17-0441** ELEGANT NAILS SALON LLC 33-20-90-55-017-066  
PERSONAL PROPERTY

2017 AV from \$ 1,300 to \$ 0 TV from \$ 1,300 to \$ 0

**154-17-0442** DISTRICT EQUIPMENT COMPANY 33-20-90-55-018-001  
PERSONAL PROPERTY

2017 AV from \$ 0 to \$ 2,900 TV from \$ 0 to \$ 2,900

**City of East Lansing, Ingham County**

**154-17-0443** DIAMONDS 2 INC. 33-20-90-52-245-100  
PERSONAL PROPERTY

2017 AV from \$ 0 to \$ 1,300 TV from \$ 0 to \$ 1,300

**Comstock Township, Kalamazoo County**

**154-17-0418** KALAMAZOO OUTDOOR GOURMET 3907-90-900-020  
PERSONAL PROPERTY

2017 AV from \$ 0 to \$ 264,670 TV from \$ 0 to \$ 264,670

**City of Marquette, Marquette County**

**154-17-0419** BECKMAN COULTER INC. 9630331  
PERSONAL PROPERTY

2017 AV from \$ 30,600 to \$ 255,000 TV from \$ 30,600 to \$ 255,000

**City of Fremont, Newaygo County**

**154-17-0428** IWG TOWER ASSETS I LLC 62-13-936-400-026-001  
REAL PROPERTY

2016 AV from \$ 0 to \$ 80,500 TV from \$ 0 to \$ 80,500

2017 AV from \$ 0 to \$ 78,800 TV from \$ 0 to \$ 78,800

**154-17-0429** IWG TOWER ASSETS I LLC 62-50-43-066-000  
PERSONAL PROPERTY

2016 AV from \$ 80,500 to \$ 0 TV from \$ 80,500 to \$ 0

2017 AV from \$ 78,800 to \$ 0 TV from \$ 78,800 to \$ 0

**Antwerp Township, Van Buren County**

**154-17-0407** CHELSEA L. & DAVID A. GUY 80-02-027-009-01  
REAL PROPERTY

2017 AV from \$ 0 to \$ 77,900 TV from \$ 0 to \$ 75,271

**City of Detroit, Wayne County**

**154-17-0315** CONNER CREEK CENTER LLC 17016350.003L  
REAL PROPERTY

2016 AV from \$ 0 to \$ 2,500,000 TV from \$ 0 to \$ 2,500,000

It was moved by Kutschman, supported by Morris, and unanimously approved to **postpone** the following MCL 211.154 petition. (Item 35 on agenda)

**Sutton Bay Township, Leelanau County**

**154-17-0384**      STEPHEN WITMER  
REAL PROPERTY

45-011-025-009-30

2017 AV from \$ 0 to \$ 232,960 TV from \$ 0 to \$ 217,487

It was moved by Kutschman, supported by Morris, and unanimously approved to **postpone** the following MCL 211.154 petition **until December 12, 2017**. (Item 35 on agenda)

**Evart Township, Osceola County**

**154-17-0406**      SCOT B. & NICOLE B. BOYD  
REAL PROPERTY

03-023-001-01

2015 AV from \$ 406,400 to \$ 622,800 TV from \$ 340,590 to \$ 545,126

2016 AV from \$ 318,500 to \$ 663,700 TV from \$ 318,500 to \$ 546,761

2017 AV from \$ 568,300 to \$ 608,900 TV from \$ 330,800 to \$ 572,241

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt all other MCL 211.154 petitions. ([See attached link for file identification.](#)) (Item 35 on agenda)

Public Comment (Item 36 on agenda): No member of the public wished to comment.

The next Commission meeting will be held November 28, 2017, at the Okemos Conference Center in the Okemos A & B Rooms, 2187 University Park Drive, Okemos.

It was moved by Morris, supported by Kutschman, and approved to adjourn the meeting of the State Tax Commission at 12:15 p.m.

**DATE TYPED:**                      **October 31, 2017**

**DATE APPROVED:**              **November 28, 2017**

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**Douglas B. Roberts, Chair**  
**State Tax Commission**

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**W. Howard Morris, Member**  
**State Tax Commission**

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**Leonard D. Kutschman, Member**  
**State Tax Commission**