



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: February 13, 2018
TO: Assessors and Equalization Directors
FROM: State Tax Commission
SUBJECT: Treatment of Residential Solar Panels

The State Tax Commission at their meeting on February 13, 2018, rescinding their prior guidance dated May 13, 2013 as it relates to the treatment of residential solar panels, and have determined that solar panels on a parcel classified as residential real property shall be assessed as a component of the real property. This policy decision is in line with the Michigan Tax Tribunal's rationale in the *Mark Clevey & Nancy Fenton v City of Ann Arbor*, Michigan Tax Tribunal Docket No. 17-003056. Assessors are advised to review and utilize the New Assessors Manual to cost solar panels as a component of the residential real property improvements. This determination of the State Tax Commission is limited to solar panels on residential real property only.