

State Tax Commission Guideline 2020-2

RESOLUTION OF DISPUTES BETWEEN THE ASSESSING DISTRICT AND THE DESIGNATED ASSESSOR REGARDING COSTS AND CHARGES

This guideline applies to the State Tax Commission's authority to resolve disputes between the assessing district and the designated assessor regarding cost and charges as provided in the General Property Tax Act, 1893 PA 206 as amended, Section 10g, Subsection 3, MCL 211.10g(3). The Commission shall utilize the following process for the filing and resolution of these disputes.

1. An assessing district that is required to contract with the designated assessor will be responsible for payment of the reasonable costs incurred by the designated assessor in serving as the assessor of record. These costs include, but are not limited to, the costs of overseeing and administering the annual assessment roll, preparing and defending the assessment roll, and operating the assessing office.
2. An assessing district who has contracted with the designated assessor and has been billed for costs incurred by the designated assessor may protest the costs charged by the designated assessor to the State Tax Commission. All protests of costs and charges must be submitted in writing to the State Tax Commission by the assessing district, must be dated and must be signed by the highest elected official of the assessing district.
3. The assessing district shall pay the uncontested portion of the costs charged by the designated assessor prior to filing a written protest with the State Tax Commission.
4. The assessing district must provide with their written protest adequate documentation to support the protest. The supporting documentation must include a signed copy of the interlocal agreement, a copy of any contract or other executed employment agreement between the assessing district and designated assessor, and a copy of the bill, invoice or other document from the designated assessor submitted to the assessing district stating the costs and charges in dispute.
5. A written protest shall be submitted by the assessing district to the State Tax Commission and must be received by the State Tax Commission within 60 days from the date of the bill, invoice or other document from the designated assessor submitted to the assessing district stating the costs and charges in dispute. Written protests received by the State Tax Commission more than 60 days from the date of the bill, invoice or other document from the designated assessor submitted to the assessing district will not be processed by the State Tax Commission.
6. The written protest must include an explanation of the reason(s) why the assessing district disputes the charge and support for an alternate charge the assessing district believes it should pay.
7. Written protests will be reviewed by State Tax Commission staff. If insufficient documentation was provided by the assessing district, the assessing district will be notified in writing and will be permitted to submit adequate documentation to the State Tax Commission within 30 days of the written notice. If adequate documentation is not submitted within the deadline, staff will recommend that the State Tax Commission dismiss the protest.

8. Once a protest with sufficient documentation is received, the designated assessor will be notified of the protest and provided an opportunity to submit a written response. The designated assessor will be provided a copy of the protest and supporting documentation submitted by the assessing district. The written response from the designated assessor shall be submitted to the State Tax Commission within 30 days of the date of notification. Failure of the designated assessor to submit a written response within 30 days of the date of notification will result in the matter being reviewed and recommended to the State Tax Commission for review and decision without information from the designated assessor.
9. Following receipt of the written protest and response, an informal hearing will be scheduled before a Designated Assessor Advisory Committee, comprised of the State Tax Commission Executive Director, two staff members and two certified assessors. The Designated Assessor Advisory Committee will meet with the representative for the local unit and the designated assessor to address the specific allegations made regarding the disputed costs and charges. Notice of the informal hearing shall be sent at least 28 days prior to the scheduled date.
10. After the informal hearing, the Designated Assessor Advisory Committee shall propose further action. The Designated Assessor Advisory Committee's proposed action will be sent to the local unit and the designated assessor within 21 days of the informal hearing in the form of a proposed consent agreement. The local unit and the designated assessor shall have 21 days to accept the proposal in writing or to present a written counter-proposal. If a proposed consent agreement is reached, that proposed consent agreement shall be forwarded to the State Tax Commission for review and decision.
11. If no written response to the proposed action is received within 21 days, the lack of response will be treated as a rejection and the matter will be forwarded to the State Tax Commission for a decision.
12. If the local unit or the designated assessor rejects the proposal or presents a counter-proposal, State Tax Commission staff will prepare a recommendation and forward the matter to the State Tax Commission for a decision. The State Tax Commission may dismiss the protest, reject the proposed consent agreement, accept the counter-proposal, or refer the protest for a formal hearing. If no consent agreement is entered the State Tax Commission shall either dismiss the protest or refer the protest for a formal hearing before the Michigan Office of Administrative Hearings and Rules (MOAHR).
13. If the Commission refers the petition to MOAHR for a formal hearing, the Commission shall send MOAHR a request to hold the formal hearing as a contested case hearing.
14. The MOAHR Administrative Law Judge will schedule a hearing, hold a hearing and prepare a Proposal for Decision to the Commission. The Commission shall consider the petition, response, any staff recommendations, the facts and conclusions of law established at the MOAHR hearing, the recommendations from MOAHR, any timely exceptions to the Proposal for Decision submitted to MOAHR, and any proposed consent agreement and staff response before making a final decision at a Commission meeting.
15. The Commission's final decision shall be written and is subject to appeal as provided by the Administrative Procedures Act (APA) of 1969, MCL 24.201 to 24.328.