



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DATE: March 22, 2024
TO: State Tax Commission
VIA: David A. Buick, Executive Director
FROM: Darcy Marusich, Property Services Division
SUBJECT: Request Approval of Cap Rates for 2024 State Assessment Parcels

Property Services Division staff is recommending the approval of the following Cap Rates for 2024 to be used in the preparation of the assessments of the State Assessed Utility Roll. These rates have been developed using the methodology used in prior years and they reflect the relatively strong competitive position of the Michigan railroads. The requested rates are as follows:

Class 1 Railroads: Cap Rate of 8.95%
Short Line Railroads: Cap Rate of 9.74%
Very Short Line Railroads: Cap Rate of 10.77%
Railcar Company: Cap Rate of 8.95%