STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

GRETCHEN WHITMER
GOVERNOR

MARLON I. BROWN, DPA
DIRECTOR

Marian Center in Joy Valley Inc,
Petitioner,

MICHIGAN TAX TRIBUNAL

v

MTT Docket No. 22-001655

Springvale Township,
Respondent.

Presiding Judge
Joshua M. Wease

FINAL OPINION AND JUDGMENT

SUMMARY OF JUDGMENT

Based on the evidence, testimony, and case file, the Tribunal finds that the residences and the land on which they sit are not exempt from taxation for the years at issue. Therefore, the taxable value (TV) of the subject property is as follows:

Parcel Number: 24-14-20-17-400-006

Year	TV
2022	$218,700
2023	$229,635
2024	$241,116
2025	$248,590

INTRODUCTION

Petitioner operates a 38-acre religious campus. Petitioner's property has several features that constitute Petitioner's operations. Petitioner hosts a grotto dedicated to the Archangels Gabriel, Raphael, and Michael. The property hosts a garden dedicated to the Mother of Jesus, known as Our Lady of Guadalupe. This includes statues that employees of Petitioner have acquired in different pilgrimages around the world. The main building contains a sanctuary that can accommodate the Catholic ceremony of mass. It also has an exhibit hall for display of educational materials. Petitioner operates a gift shop where they sell religious bibles, religious items, and books. Petitioner contends that it uses the entirety of the campus – including the residences – for its mission to spread the teachings of the Catholic faith.

In 2022, Respondent reclassified the property as commercial improved and removed its tax-exempt status from part of the property that contains personal residences and the acre of land upon which those residences are situated. Petitioner argues that the residences are exempt from property taxes. On November 1, 2023, the

parties filed motions for summary disposition under MCR 2.116(C)(10). The Tribunal found that there were issues of material fact and that fact-finding proceedings were required. A hearing was held on May 15, 2025.[1]

PETITIONER'S CONTENTIONS

Petitioner contends that its residences are entitled to full tax-exempt status under Const 1963 art 9, § 4, MCL 211.7o, and MCL 211.7s, because they are a religious and charitable organization.[2] Petitioner argues people who reside in the subject residences are lay ministers who operate the Marian Center. Petitioner explains that they use the buildings (including the residences) for the following purposes:

a. Parsonage for the lay ministers who operate the Marian Center;
b. Parsonage for visiting priests, sisters, other consecrated persons and speakers;
c. Lodging for private parish or other religious retreats;
d. Small group bible study and ministering;
e. Administration and management of the bookstore;
f. Creation of the weekly newsletter and newspaper (except printing);
g. Creation of educational exhibits;
h. Organizing religious conferences and events; and
i. Certain administrative preparations for Holy Mass.

Petitioner's TV contentions are as follows:

Parcel Number: 24-14-20-17-400-006

Year	TV
2022	$0
2023	$0
2024	$0
2025	$0

PETITIONER'S WITNESSES and ADMITTED EXHIBITS

Joshua Mercer

Joshua Mercer is one of Petitioner's employees and has the titles of business manager and communications manager. He has worked for Petitioner since 2005. He testified about his job duties, which include managing Petitioner's finances, updating the website, and working on the newsletter. He further testified about the residences, Petitioner's operations, and the role of lay ministers in the Catholic Church and in Petitioner's organization. The following exhibits were admitted through Mr. Mercer's testimony.

[1] Sara Lachman appeared on behalf of Petitioner. Seth O'Loughlin appeared on behalf of Respondent.
[2] Petitioner's legal arguments and supporting authority are drawn from their November 1, 2023 brief.

Exhibit R1: Bylaws and Articles of Incorporation[3]
Exhibit R10: Sketch[4]
Exhibit R12: Pictures[5]
Exhibit P-23: Answers to Request from MTT[6]
Exhibit P-9: 2021 Form 990[7]
Exhibit P-2: 2022 SUWT Tax Return[8]
Exhibit P-4: 2023 SUWT Tax Return[9]

Andrew Moe

Andrew Moe is employed by Petitioner. He testified about the residences, Petitioner's operations, and the role of lay ministers in the Catholic Church and in Petitioner's organization. The following exhibits were admitted through Mr. Moe's testimony.

Exhibit R16: IRS Publication 517[10]

RESPONDENT'S CONTENTIONS

Respondent determined that portions of Petitioner's property, including certain buildings and 34.2 acres of land, were in furtherance of Petitioner's charitable and educational purpose and is entitled to exemption under MCL 211.7o. However, Respondent denied an exemption for the 6,468 square feet (SF) of personal residences and the acre of land upon which those residences are situated. Respondent contends that the personal residences are not exempt because they are not solely occupied for the purposes for which Petitioner was incorporated, nor do they qualify as parsonages because the occupants are not ordained clergy in the Catholic Church.[11] Respondent's contentions of TV are as follows:

Parcel Number: 24-14-20-17-400-006

Year	TV
2022	$218,700
2023	$229,635
2024	$241,116
2025	$248,590

[3] Tr. at 48:23.
[4] Tr. at 59:6-7.
[5] Tr. at 57:2.
[6] Tr. at 83:3.
[7] Tr. at 89:10.
[8] Tr. at 91:21.
[9] Tr. at 94:12.
[10] Tr. at 137:5.
[11] Respondent's legal arguments and supporting authority are drawn from their November 1, 2023 brief.

RESPONDENT'S WITNESSES and ADMITTED EXHIBITS

Respondent did not present any witnesses. Respondent's exhibits were admitted on cross-examination of Petitioner's witnesses.

FINDINGS OF FACT

The Tribunal's Findings of Fact concern only evidence and inferences found to be significantly relevant to the legal issues involved; the Tribunal has not addressed every piece of evidence or every inference that might lead to conflicting conclusions and has rejected evidence contrary to those findings.

1. The subject property is located at 2680 Maxwell Road, Petoskey, in Emmet County.
2. Petitioner is the owner of the subject property.
3. The subject property is classified as commercial improved.
4. There are three residences on the property.[12]
5. One residence is attached to the main building. The other two residences are approximately 400 feet and 1200 feet from the main building.[13]
6. The facilities are open approximately thirty hours a week for ten months of the year.[14] The hours of operation are: Tuesday through Saturday, 10 a.m. to 3 p.m. in the spring through fall, and close an hour later in the summers.[15] In January and February, the facilities are open on Saturdays, 10 a.m. to 3 p.m.[16] The property is also available by appointment.[17]
7. Petitioner receives a partial property tax exemption under MCL 211.7o that includes the grounds and the main building but excludes the living residences and the land where the residences are situated.
8. The residences are not considered open to the visiting public.
9. Petitioner provides rent-free housing to each of its part-time employees as compensation for their roles in helping with the ministry.[18] The employees do not receive a salary.[19] The organization does not want to rely purely on volunteers, but does not have the funds to pay salaries.[20]
10. None of the residences are subject to a lease.[21] Petitioner also pays for maintenance of the residences.[22]
11. Robert Smith is the president of the organization.[23]

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[12] Tr. at 32:19
[13] Tr. at 13:6-11.
[14] Tr. at 28:8-9.
[15] Tr. at 36:16-24.
[16] *Id.*
[17] *Id.*
[18] Tr. at 26:22-24.
[19] Tr. at 21:15-17.
[20] Tr. at 28:14-16.
[21] Tr. at 61:21-23
[22] Tr. at 62:5-14.
[23] Exhibit P-9; Tr. at 21:3.

12. Robert Smith was a part-time employee of Petitioner for the tax years at issue.
13. Robert Smith and his wife occupy the residence that is attached to the main building.[24] This residence is approximately 1,800 SF.[25]
14. Joshua and Lori Mercer were part-time employees of Petitioner for the tax years at issue.
15. Joshua and Lori Mercer live with their six children (five if the sixth child is at college) in one of the residences.[26] This home has a living area of approximately 2,000 SF[27] and has five bedrooms.[28]
16. Andrew and Katherine Moe were part-time employees of Petitioner for the tax years at issue.
17. Andrew and Katherine Moe live with their three children in another residence that is not attached to the main building.[29] This residence is approximately 1,200 SF.[30]
18. The main building contains a designated spare room that is available for overnight accommodations to visitors to the property.[31] It is separate from Mr. Smith's residence.[32] This room is approximately 884 SF and has a bed, shower, and a bath.[33]
19. Petitioner filed an IRS Form 990 for tax year 2021.[34]
    a. Petitioner lists Joshua Mercer as the organization's Treasurer, and he works one hour per week.[35]
    b. Petitioner lists Lori Mercer as the organization's Vice-President, and she works one hour per week.[36]
    c. Petitioner lists Andrew Moe as the organization's Secretary, and he works 25 hours per week.[37]
    d. Petitioner lists Robert Smith as the organization's President, and he works one hour per week.[38]
    e. Petitioner also reports that all four individuals receive no compensation.[39]
20. Each employee provides less than 15 hours of service to Petitioner each week.
21. Andrew Moe, Katherine Moe, Joshua Mercer, and Lori Mercer are lay ministers in the Catholic Church.

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[24] Tr. at 20:12-14.
[25] Tr. at 32:24-25.
[26] Tr. at 20:16-19.
[27] Tr. at 32:23-24.
[28] Tr. at 60:10-11.
[29] Tr. at 20:15-16.
[30] Tr. at 32:22-23.
[31] Tr. at 61:7-16.
[32] Tr. at 61:10-11
[33] Tr. at 61:13-16.
[34] Exhibit P-9; Tr 84:12-15.
[35] Exhibit P-9, at 7; Tr. at 85:16-25.
[36] Exhibit P-9, at 7; Tr. at 86:1-7.
[37] Exhibit P-9, at 7; Tr. at 86:8-10.
[38] Exhibit P-9, at 7; Tr. at 86:11-12.
[39] Exhibit P-9, at 7; Tr. at 86:16-24.

22. The Catholic Church does not require lay ministers to have any formal training.[40] There are not any required documents or rituals to become a lay minister.[41] People who have been baptized and confirmed in the Catholic Church can be a lay minister.[42]
23. A lay minister does not have the same rights and duties as an ordained priest.[43]
24. Mr. Moe and his wife are trained as Extraordinary Ministers, who can assist the ordained priests with certain duties.[44] Acts by Extraordinary Ministers require oversight by ordained clergy.[45]
25. Mr. Moe's daily duties are not under the supervision of an ordained clergy.[46]
26. Petitioner hosts mass at the property approximately four times a year.[47]
27. Extraordinary Ministers may only act under the supervision of the officiating ordained priest.[48]
28. During 2024, Mr. Moe served as an Extraordinary Minister four to five times.[49]
29. Extraordinary Ministers are not authorized to conduct liturgical sacramental worship.[50]
30. None of the occupants of the residences are ordained clergy in the Catholic Church.
31. Petitioner provides three offices for employee use[51] in the main building, which contains the copy machine, books, and inventory.[52]

CONCLUSIONS OF LAW

The issue here is whether the 6,468 SF of personal residences and the acre of land upon which those residences are situated are exempt from property taxes under Const 1963 art 9, § 4, MCL 211.7o, and MCL 211.7s.[53] Respondent argues that a certain portion of the property is exempt from property taxes, but that exemption does not extend to the residences Petitioner provides to its employees.

A proceeding before the Tax Tribunal is original, independent, and de novo.[54] The Tribunal's factual findings must be supported "by competent, material, and substantial evidence."[55] "Substantial evidence must be more than a scintilla of

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[40] Tr. at 70:13-15.
[41] Tr. at 71:8-9.
[42] Tr. at 74:16-23.
[43] Tr. at 75:1-76:4.
[44] Tr. at 114:13-20.
[45] Tr. at 128:17-129:2.
[46] Tr. at 129:3-7.
[47] Tr. at 129:8.
[48] Tr. at 128:17-129:2.
[49] Tr. at 129:13-21
[50] Tr. at 130:8-10.
[51] Tr. at 108:18-19.
[52] Tr. at 18:7-9.
[53] Petitioner's Brief, at 8.
[54] MCL 205.735a(2).
[55] *Dow Chemical Co v Dep't of Treasury*, 185 Mich App 458, 462-463; 462 NW2d 765 (1990).

evidence, although it may be substantially less than a preponderance of the evidence."[56]

The General Property Tax Act ("GPTA") provides that "all property . . . within the jurisdiction of this state, not expressly exempted, shall be subject to taxation."[57] There is no dispute that the subject property, but for any exemption afforded, is subject to ad valorem taxation.[58] Exemption statutes are subject to a rule of strict construction in favor of the taxing authority.[59] The petitioner must prove, by a preponderance of the evidence, that it is entitled to an exemption.[60] Nevertheless, tax exemption statutes are to be interpreted according to ordinary rules of statutory construction.[61] "[T]he preponderance of the evidence standard applies when a petitioner attempts to establish membership in an already exempt class."[62] Nonprofit religious and educational organizations, nonprofit charitable institutions, parsonages, and houses of public worship have all been recognized as exempt classes.[63]

A. Exemption under Const 1963 art 9, § 4

Petitioner states that the property is exempt from taxation under Const 1963 art 9, § 4, which states:

> Property owned and occupied by non-profit religious or educational organizations and used exclusively for religious or educational purposes, as defined by law, shall be exempt from real and personal property taxes.

This provision is qualified by the phrase "as defined by law," which means that we must look to the statutory provisions and caselaw for the definitions of religious and education purposes – namely MCL 211.7o and MCL 211.7s. With that said, Petitioner's arguments do not directly address the application or implications of Const 1963 art 9, § 4. Instead, Petitioner's arguments focus on the provisions of MCL 211.7o and MCL 211.7s. Citing the constitution would be more relevant if Petitioner was arguing the constitutionality of MCL 211.7o or MCL 211.7s – which is not at issue here. Therefore, the Tribunal deems this argument abandoned.

B. Exemption under MCL 211.7o

MCL 211.7o does not specifically exempt residences that a nonprofit provides to its employees. Therefore, Petitioner must prove by a preponderance the three statutory

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[56] *Jones & Laughlin Steel Corp, 193 Mich App 348,* 352-353; 483 NW2d 416 (1992).
[57] See MCL 211.1.
[58] See *Mich Bell Tel Company v Dep't of Treasury*, 229 Mich App 200; 582 NW2d 770 (1998).
[59] See *Mich United Conservation Clubs v Lansing Twp*, 423 Mich 661; 378 NW2d 737 (1985) and *Ladies Literary Club v Grand Rapids*, 409 Mich 748; 298 MW2d 422 (1980).
[60] See *ProMed Healthcare v Kalamazoo*, 249 Mich App 490; 644 NW2d 47 (2002).
[61] See *Inter Coop Council v Dep't of Treasury*, 257 Mich App 219; 668 NW2d 181 (2003).
[62] *ProMed*, 249 Mich App at 494-495.
[63] See Const 1963 art 9, § 4; MCL 211.7o; and MCL 211.7s.

elements under MCL 211.7o. First, the exemption claimant must be a nonprofit charitable institution. The term "nonprofit charitable institution" is not defined by the statute. In *Wexford Med Group v Cadillac*,[64] the Supreme Court held that a charitable institution, "sufficiently encapsulates, without adding language to the statute, what a claimant must show to be granted a tax exemption as a charitable institution. . . ."[65] Second, the real property must be owned and occupied by the exemption claimant.[66] Last, the exemption exists only when the buildings and other property at issue are occupied by the claimant solely for the purposes for which the claimant was incorporated.[67]

Petitioner already satisfies some of the requirements. Petitioner's ownership of the property is not disputed. Further, the parties agree that Petitioner is a nonprofit charitable institution. This is evidenced by Respondent's granting of an exemption to Petitioner for most of their property under MCL 211.7o. Meaning that conducting an analysis of Petitioner's qualification as a nonprofit charitable institution under *Wexford* is not necessary. Therefore, the remaining issues to resolve are whether (1) Petitioner occupies the residences, and (2) Petitioner occupies the property solely for the purposes for which it was incorporated.

Petitioner relies on *Fresh Start Ministries v City of Roseville* to support its argument.[68] In that case, the Tribunal held that a dwelling which housed youth ministry items, tent meeting items, and other overflow items was predominantly used for religious services or teaching religious truths and beliefs of the society. However, *Fresh Start Ministries* is distinguishable because the parties stipulated that the dwelling was not occupied and was not claimed as a parsonage.[69] In this case, the facts are just the opposite –the property is occupied as a personal residence by Petitioner's employees, the residences are not occupied by Petitioner's visitors or patrons, and it is being claimed as a parsonage. Therefore, *Fresh Start Ministries* is not applicable.

Respondent argues that there have been cases where housing provided by an institution are exempt but distinguishes them from the current case.[70] Respondent points to *Oakwood Hosp Corp v Mich State Tax Comm,* where the Supreme Court determined that housing provided to doctors and interns was in accord with Petitioner's purpose to maintain "a general hospital." Housing was "important to make such doctors and interns immediately available in the hospital on call or short notice, and other housing in the city near the hospital being practically unavailable for that purpose."[71] The six houses on the hospital property were provided for the resident physicians and interns whose services and availability to the hospital at all times were *essential* to the

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[64] *Wexford Med Group v Cadillac*, 474 Mich 192; 713 NW2d 734 (2006).
[65] *Id*. at 214.
[66] MCL 211.7o(1), (2).
[67] MCL 211.7o(2).
[68] *Fresh Start Ministries v City of Roseville*, MTT Docket No. 20-002222 (May 24, 2022).
[69] *Id.* at 2.
[70] Respondent's Brief at 12.
[71] *Oakwood Hospital Corp v Mich State Tax Comm,* 374 Mich 524, 530; 132 NW2d 634 (1965).

operation of the hospital. [72]

In *Liberty Hill Housing Corp v Livonia*, a nonprofit corporation, which provided housing alternatives for low-income individuals and persons with disabilities, did not occupy the properties – the tenants occupied the properties.[73] This case hinged on the fact that the owner did not maintain a physical presence or have a right of occupancy to the leased property. Contrast this with occupancy of student housing that was challenged in *Calvin Theological Seminary v Grand Rapids*.[74] In *Calvin Theological*, the Court of Appeals upheld the Tribunal's finding that the seminary's student dormitories were eligible for exemption because the seminary's staff were present, maintaining the property, daily.[75] *Calvin Theological* was distinguished from *Liberty Hill*, stating:

> Calvin Seminary did not simply "rent the student housing and then leave its students to their own devices." Instead, Calvin Seminary retained a right of access to the apartments, including keys and the right to enter apartments; and, more importantly, Calvin Seminary maintained a regular physical presence through its employees, including student-employees as well as other staff members who were regularly on the properties performing grounds maintenance, cleaning hallways and common areas, and responding to calls from residents.[76]

Liberty Hill and *Calvin Theological* involved the presence of the owners' employees on the property that is being leased to a third-party.

The instant case is distinguishable because the provision of housing under analysis is between the owner and its employees. Petitioner argues that it has occupancy for two reasons. First, by virtue of the work that the employees do for Petitioner in their residences. Second, that patrons and guests also stay in the residences.

1. *Petitioner does not occupy the residences*

Mr. Mercer provided an explanation of where the employees live amongst the three residences. Mr. Mercer and his wife live with their six children (five if the sixth child is at college) in one of the residences that is not attached to the main building. This home has a living area of approximately 2,000 SF and has five bedrooms. Robert Smith and his wife occupy the residence that is attached to the main building. This residence is approximately 1,800 SF. Andrew and Katherine Moe live with their three children in the other residence that is not attached to the main building. This residence is approximately 1,200 SF.

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[72] *Id. at 526.*
[73] *Liberty Hill Housing Corp v City of Livonia, 480 Mich* 44, 46, 58; 746 NW2d 282 (2008).
[74] *Calvin Theological Seminary v City of Grand Rapids*, unpublished per curiam opinion of the Court of Appeals, issued Aug 13, 2019 (Docket No. 343662).
[75] *Id.* at 4-5.
[76] *Calvin Theological*, unpub op at 4.

Mr. Mercer testified that the employees living on the property receive their residence rent-free, but do not receive a salary. Mr. Mercer testified that the free rent is compensation to the different ministers for their roles in helping with the ministry. This is because the organization does not want to rely purely on volunteers but does not have the funds to pay salaries. Although there are no leases for the residences, Petitioner also pays for maintenance of the residences.

Next, Mr. Mercer testified about the employees' working hours. He testified that each of the employees work about 10-15 hours a week,[77] but later testified that they work 15-20 hours a week.[78] He then later stated that they work "15-some" hours a week.[79] Mr. Mercer's testimony about work hours is further contradicted by Petitioner's IRS Form 990. Mr. Mercer confirmed that he is listed on Petitioner's IRS Form 990 as the organization's Treasurer and that he only works one hour a week. However, he questioned whether the amount of hours worked was accurate.[80] Petitioner lists Lori Mercer as the organization's vice-president and that she only works one hour per week on average. Again, Mr. Mercer questioned whether the number of work hours was accurate.[81] Petitioner lists Mr. Moe as the organization's Secretary and that he works 25 hours a week for the organization. However, Mr. Moe testified that he works around 10-12 hours per week.[82] Petitioner lists Mr. Smith as the organization's President and that he works one hour per week. Petitioner also reports on its IRS Form 990 that all four individuals receive no compensation. While the testimony is contradictory, the Tribunal finds that the testimony is consistent in that all the employees work part-time and less than fifteen hours per week. This is reasonable given the totality of the testimony, the statements on the tax returns, and the limited hours of operation throughout the year. This finding is also supported by Mr. Mercer's testimony that he and Mr. Moe have full-time jobs outside of the work they do for Petitioner.[83] This leaves little time for Mr. Moe or Mr. Mercer to work during Petitioner's hours of operation.

Mr. Mercer summarized the employees' job duties in relationship to living on-site as:

> Robert Smith spends considerable time working the grounds of the property, including landscaping, mowing, overseeing the maintenance of the buildings. He also will guide visitors around the grounds. My wife Lori Mercer and then Katie Moe will organize the annual Marian conference. So obviously a lot of logistics involved in that. Purchasing inventory for the gift shop, leading Bible study for women. Also again providing, you know, tours for pilgrims and visitors to the center. I will sometimes speak at events. I will maintain the organization's website. Although I need to catch up on that,

[77] Tr. at 27:5.
[78] Tr. at 30:9.
[79] Tr. at 30:15.
[80] Tr. at 85:24-25.
[81] Tr. at 86:6-7.
[82] Tr. at 120:10-11.
[83] Tr. at 109:3-5, 7-10.

> it's been a while. I edit the quarterly printed newsletter. I'm the business manager for the organization. Andrew Moe will organize different retreats, Catholic devotions, and teachings. He'll speak at events as well. And he and Katie will write the email, the weekly email newsletter as well.[84]

Mr. Mercer testified that visitors may visit the grounds after hours.[85] However, Mr. Mercer testified that there are no emergencies at the property that would demand their immediate attention on a regular basis.[86] He further testified that the public's access to the grounds is different from their access to the residences.[87] He stated that there are no hours to visit the residences and that "there are occasions where we will invite people in for prayer groups or something like that."[88] It is reasonable to infer from the testimony that the residences are not generally open to the public, however may be open for use by invitation only for limited use at the employee's discretion.

Next, Mr. Mercer testified that the employees choose to work from home. For instance, Mr. Mercer stated that he may use his computer at home to work on the newsletter.[89] Mr. Mercer carves out office space from a corner of his bedroom.[90] Likewise, Mr. Moe testified that he does not have a dedicated office but uses part of his living room.[91] Mr. Mercer explained why employees work in the residences rather than the three offices in the main building that are only a few hundred feet away.

> [W]e have a few different office rooms in this corridor here. But when you're talking about six different people trying to use the same space, what ends up happening some people just say it might be easier for me to work from home or have my own dedicated office there. So that would be one of the main reasons I would say that we -- just provide more room and a better experience for people here. And also that we're not all crammed together in the offices on top of each other.[92]

Mr. Mercer also explained that they may work from home to create the exhibits that are presented in the Exhibit Hall.

> And what we end up doing is usually after hours, you know, working on a computer and reading different books, and sources, and putting it together and writing it, and assembling photos and stuff like that. So, I mean, that's usually how we end up doing it. It takes, as you can imagine, quite some time to put it together.[93]

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[84] Tr. at 32:1-16.
[85] Tr. at 30:22-23.
[86] Tr. at 69:5-8.
[87] Tr. at 80:16-81:5
[88] Tr. at 81:1-5.
[89] Tr. at 13:13-14.
[90] Tr. at 60:20-22.
[91] Tr. at 123:2-3.
[92] Tr. at 18:17-25.
[93] Tr. at 16:9-14.

Last, Mr. Mercer testified about how much work is completed in the residences versus elsewhere. He first testified that Lori Moe works approximately 80% of her work hours and Andrew Moe works 60-70% of his work hours in their residences.[94] However, later, Mr. Mercer contradicts this testimony during cross-examination, and states that 80% of job responsibilities take place outside of the residences.[95] Lori Mercer only works approximately 20% of her time at the residence because she helps people on the grounds.[96] The Tribunal finds the testimony about how much work is done in the residences contradictory and not credible. The Tribunal does not give this testimony any weight.

Considering the evidence, the Tribunal does not find Petitioner's argument that the residences are reasonably necessary or incident to Petitioner's purposes, persuasive. With only five part-time employees and their variable work schedules, there is no reason to ignore or otherwise discount the three offices provided by Petitioner. The witness testimony paints a picture of individuals discussing their work at their kitchen table and seeking to exempt their whole home in the process. Petitioner's attempt to clothe the use of the residences in "administrative functions" is unconvincing. From the contradictory testimony, the Tribunal cannot determine how much work the employees conduct in their residences. However, even if they do a considerable amount of work in their residences, it is by the employee's choice for their convenience rather than a reasonable necessity or incident to Petitioner's operations.

In this case, Petitioner's employees occupy the space as individuals who make the residences their private homes to raise their families. The instant case is further distinguishable from *Calvin Seminary* because Petitioner has provided rent free houses to their employees and then left the occupants to their own devices and private family life. If Mr. Mercer and his wife lived in a home in town, it could not be said that Petitioner occupies that private home either. The occupancy of the residences by employees and their families is not on behalf of Petitioner – it is compensation for their services, even if they choose to do some of their work from home. Also, critically, public visitors and patrons are not allowed in the homes as part of visiting the property. The Tribunal concludes that Petitioner has not met its burden of proof that it occupies the residences for purposes of MCL 211.7o.

2. Petitioner does not occupy the residences solely for purposes for which it was incorporated

Even if the employees living in the residences were considered occupancy by Petitioner, their occupancy is not solely for the purposes for which Petitioner was incorporated. Here, Petitioner's stated purposes are found in Article II of its Articles of Incorporation:

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[94] Tr. at 35:16-22.
[95] Tr. at 81:10-14.
[96] Tr. at 35:25-36:3.

The purpose for which the corporation is organized are:

1. To witness to and implement the Gospel of Jesus Christ in Michigan and throughout the United States and the world through an ongoing series of conferences and retreats to be held at the corporation's conference center and at other locations throughout the United States and the world.
2. To cooperate with the other charitable organizations, through grants and otherwise, which are working to further the Gospel of Jesus Christ in the world and particularly to further peace and brotherhood as taught by Jesus Christ.
3. To communicate the Gospel of Jesus Christ by means of the spoken and written word.
4. To receive, maintain, and accept as assets of the corporation, any property, whether real, personal, or mixed, by way of gift, bequest, devise or purchase from any person, firm, trust, or corporation to be held, administered, disposed of exclusively for the charitable, religious, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended and in accordance with the pursuant provisions of these articles of incorporation; but no gift, bequest, devise or purchase of any such property shall be received or made and accepted if it is conditioned or limited in such manner as shall require the disposition of income or principal to any organization other than a "charitable organization" or for any purpose other than a "charitable purpose," which would jeopardize the status of the corporation as an entity exempt from federal income tax pursuant to the relevant provision of the Internal Revenue Code, as amended, and
5. To exclusively promote and carry on any other religious, charitable, or education purposes and activities for which corporations may be organized and operated under the relevant provisions of the Internal Revenue Code, as amended and under the Michigan Non-profit Corporation Act.[97]

In addition to *Calvin Theological* which is discussed above, several cases address occupancy for purposes by which a claimant was incorporated. In *Gull Lake Bible Conference Ass'n v Ross Twp*,[98] the plaintiff's stated purpose was "[t]o promote and conduct gatherings at all seasons of the year for the study of the Bible and for inspirational and evangelistic addresses."[99] Besides a tabernacle and youth chapel (for which the tax-exempt status was not contested), the property included an old hotel building used to house employees, a fellowship center building, a trailer campsite for persons attending the conference, for-rent cottages, gravel pit, picnic area, boat docks, bathhouse, beach, playground, horseshoe and badminton courts, and parking areas.[100]

[97] Exhibit R-1; Tr. at 46-47.
[98] *Gull Lake Bible Conference Ass'n v Ross Twp,* 351 Mich 269, 273; 88 NW2d 264 (1958).
[99] *Id.* at 271.
[100] *Id.* at 272.

The Supreme Court determined that the housing and recreational facilities on the property were necessary to fulfill the plaintiff's purpose.[101]

> Looking at the situation in the light of this latter purpose, it may be logically concluded that in order to obtain satisfactory attendance to its conference, plaintiff found it advisable and necessary *to provide those attending* with living accommodations, recreational facilities and all of the other services offered by plaintiff and made possible through the use and occupancy of the land in question by plaintiff in the manner in which they do use and occupy such land.[102]

While both *Gull Lake* and the instant case provide housing to employees, the operations in *Gull Lake* are distinguishable from Petitioner's operations. *Gull Lake* patrons stayed on the property at the campsites. Whereas, beyond the spare room, Petitioner's limited hours of operation and lack of overnight accommodations do not require employee's to be on site, let alone overnight. Further, none of Petitioner's enumerated purposes involve supplying overnight accommodations for patrons.

As discussed above, *Oakwood Hospital Corp,* the Supreme Court considered whether those occupying the space were "in furtherance of and for the purposes for which plaintiff was incorporated."[103] In that case, the Court found that providing housing to attending physicians, who may need to serve patients with intensive medical treatments, was reasonably necessary to operate a hospital.

The Court in *Saginaw Gen Hosp v City of Saginaw* best articulated the question: "Where a statutory provision makes the use of the property the test of exemption, the question is whether the *primary use is reasonably necessary for fulfilling, or is reasonably incident to, the primary purpose of the organization* claiming the exemption."[104] In that case, the Court of Appeals found that the provision of an on-site child care facility was for a purpose reasonably necessary to fulfill its purpose of operating the hospital. "Thus, the Center does not merely provide child care, it allows the hospital to staff its round-the-clock shifts. The hospital does not operate the Center for the mere convenience of its employees, but because it is necessary to provide adequate medical personnel."[105]

Here, Petitioner has not demonstrated how the employees' residences are reasonably necessary to Petitioner's stated purposes. Petitioner's purposes are in stark contrast from those in *Oakwood Hospital* or *Saginaw General Hospital*, in which operating a hospital requires around-the-clock, quick access to medical personnel. Nor

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[101] *Id.* at 275.
[102] *Id.* (emphasis added).
[103] *Oakwood Hosp Corp v Mich State Tax Comm*, 374 Mich 524, 530; 132 NW2d 634 (1965).
[104] *Saginaw Gen Hosp v City of Saginaw*, 208 Mich App 595, 600; 528 NW2d 805 (1995) citing 61 ALR 4th 1105, 1108. (emphasis added).
[105] *Saginaw Gen Hosp*, 208 Mich App at 600.

do Petitioner's operations of a garden, bookstore, and chapel for 30 hours a week require personnel like in *Gull Lake* or *Calvin Theological*.

Further, Petitioner appears to argue that it occupies the residences because they are used to host Petitioner's overnight guests, which may be clergy, patrons, or conference participants.[106] Mr. Mercer also stated that people who speak at their annual conferences may be provided lodging at the residences.[107] Mr. Mercer stated that it has occurred in the past but did not provide any dates or other specific details.[108] As for clergy, Mr. Mercer testified that Petitioner would occasionally have clergy stay at the residence when they come to conduct mass at the property.

> I mean, we'll sometimes have like a Catholic Priest come and perform service or whatever, and we might have him stay here in one of the buildings overnight. You know, that does happen occasionally.[109]

However, Mr. Mercer's residence does not have a guest room.[110] He also admitted that Petitioner's guests normally stay at the dedicated guest room in the main building.[111] This room is approximately 884 SF and has a bed, shower, and bath. Further, Mr. Moe testified that his house was not used for overflow housing for the years at issue.[112] He stated that it would be considered on a case-by-case basis, but his home has a "growing family and very noisy children."[113] Mr. Mercer also testified that his five-bedroom residence is for his family of eight. His home has no spare bedroom, and he uses his own bedroom as his office. The Tribunal finds that Petitioner has not provided credible evidence that their guests stay at the residences. Instead, the Tribunal finds, based on the credible witness testimony, that the families occupy the entirety of their respective residences and there is no room for Petitioner's guests. Last, the Tribunal finds that Petitioner's guests would stay in the spare suite in the main building.

Most critical, the evidence establishes that the residences are used for purposes beyond those for which Petitioner was incorporated. First, Petitioner's employees are occupying the space as private individuals raising families. The nominal work they may do at home, rather than in the supplied offices, is by their own choice and not reasonably necessary to fulfill Petitioner's purposes. Also, Mr. Mercer and Mr. Moe may use their homes for their off-site jobs. For instance, it is reasonable that Mr. Moe, who is a full-time teacher at the local high school, may use his home for preparing class plans and grading papers, just as he may use the space to prepare for classes he presents for Petitioner. Last, Petitioner's articles of incorporation do not state that providing housing for raising families is one of its purposes. Therefore, the Tribunal

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[106] Petitioner's Brief, at 3.
[107] Tr. at 13:18-14:1.
[108] *Id.*
[109] Tr. at 19:21-23.
[110] Tr. at 61:5-6.
[111] Tr. at 60:23-61:3.
[112] Tr. at 119:10-13.
[113] Tr. at 119:14-16.

finds that the use of the residences for employee's personal purposes is distinct and different from the purposes for which Petitioner was incorporated.

In conclusion, the credible testimony provided by Petitioner's witnesses persuade the Tribunal that the residences are solely used for its employees' personal use. Contrary to Petitioner's arguments on brief, there is no credible evidence that the residences were used to host Petitioner's guests or any other uses reasonably necessary or incident to Petitioner's purposes or operations. The Tribunal finds that Petitioner does not occupy the subject property solely for the purposes for which it was incorporated. Therefore, the Tribunal concludes that Petitioner has not met their burden of proof that they are entitled to an exemption for the subject property under MCL 211.7o for the years at issue.

C. Exemption under MCL 211.7s

MCL 211.7s states:

> Houses of public worship, with the land on which they stand, the furniture therein and all rights in the pews, and any parsonage owned by a religious society of this state and occupied as a parsonage are exempt from taxation under this act. Houses of public worship includes buildings or other facilities owned by a religious society and used predominantly for religious services or for teaching the religious truths and beliefs of the society.

Petitioner must prove two facts: (1) Petitioner is a religious society or house of public worship, and (2) the subject property is occupied as a parsonage.

1. Petitioner is a Religious Society

MCL 211.7s does not define "religious society." "When the Legislature does not define terms in a statute, courts may consult a dictionary to learn their 'common and approved usage.'"[114] In *Institute in Basic Life Principles,* the Court of Appeals explained that "the usage of the term in the second quoted sentence suggests that the *key test* is whether an organization or association engages in *teaching* religious truths and beliefs."[115] The Court held "that an association or organization qualifies as a 'religious society' for purposes of the house of public worship tax exemption if its *predominant* purpose and practice include teaching religious truths and beliefs."[116] To determine the petitioner's predominant purpose and practice, the Court considered the petitioner's purpose as set forth in its Certificate of Incorporation and bylaws, as well as its actions in furtherance of that purpose. Ultimately, the Court held that the petitioner, who was not a church and did not represent a specific religious denomination, still qualified as a

[114] *Alvan Motor Freight v Dep't of Treasury*, 281 Mich App 35, 43; 761 NW2d 269 (2008). See also MCL 8.3a.
[115] *Institute in Basic Life Principles, Inc v Watersmeet Twp,* 217 Mich App 7, 14; 551 NW2d 199 (1996) (emphasis added).
[116] *Id*. (emphasis added).

religious society. The Court held that "[b]ecause petitioner's purpose is to teach religious principles," it fell within the definition of a religious society.[117]

> In the instant case, Petitioner's articles of incorporation state, in part:
>
> 1. To witness to and implement the Gospel of Jesus Christ in Michigan and throughout the United States and the world through an ongoing series of conferences and retreats to be held at the corporation's conference center and at other locations throughout the United States and the world.
> 2. To cooperate with the other charitable organizations, through grants and otherwise, which are working to further the Gospel of Jesus Christ in the world and particularly to further peace and brotherhood as taught by Jesus Christ.
> 3. To communicate the Gospel of Jesus Christ by means of the spoken and written word.

Further, Mr. Mercer testified that Petitioner is a Catholic organization, but it is independent from the Diocese of Gaylord.[118]

> Yeah, so the Marian Center itself is not a parish. We are independent of the Diocese of Gaylord, which is the Catholic church in our area. Although we have had the Bishop of -- the current and the last two, so the last three Bishops have been here to the Marian Center and celebrated mass. They've been to our annual conferences, like I would say 16 of the last 20 years or so. And so we are a Catholic lay apostolic, trying to spread the teachings of the church and the faith, but we are legally independent of it. We're not a parish, per se, we're more of a beautiful religious pilgrimage site. And we also do, like I said, host retreats and exhibits and stuff.[119]

Although Petitioner's articles of incorporation do not specifically name the Catholic Church, it mentions witnessing and communicating the Gospel of Jesus Christ. Considering Petitioner's articles of incorporation along with the credible testimony by Mr. Mercer, the Tribunal finds that Petitioner is a religious society of the Catholic faith.

2. The subject property is not occupied as a parsonage

While Petitioner satisfies the first criteria under MCL 211.7s, Petitioner has not provided credible or persuasive evidence that they satisfy the second criteria of occupancy as a parsonage. While "parsonage" is not defined by the statute, case law

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[117] *Id*. at 16. See also, *Prophetic Word Ministries, Inc v City of Saugatuck,* unpublished per curiam opinion of the Court of Appeals, issued April 17, 2014 (Docket No. 313706); *Lake Louise Christian Community v Hudson Twp,* 10 Mich App 573; 159 NW2d 573 (1968) and *Self Realization Meditation Healing Centre v Bath Twp*, unpublished per curiam opinion of the Court of Appeals, issued June 21, 2011 (Docket No. 297474).
[118] Tr. at 49:7-8.
[119] Tr. at 38:5-16.

provides considerable guidance. The Supreme Court defined a parsonage in *St. Joseph's Church*:

> A parsonage may be defined as a house in which a minister of the gospel resides. In its ecclesiastical sense the word 'glebe (or land) and house' belonging to a parish appropriated to the maintenance of the incumbent, or settled pastor of a church; but its modern general signification is in the sense of its being the residence of a parson, and it may be with land or without it.[120]

A case that is on point and clarifies the history of the statutory language regarding tax-exempt parsonages is *West Mich Annual Conference of the United Methodist Church v Grand Rapids*.[121]

> The MTT correctly applied the general definition of "parsonage"—that is, the home of a parson—as well as the remainder of the statutory language of the exemption.[2] Contrary to respondent's argument, the statute has no requirement that in order for a residence to constitute a "parsonage," its resident must be a pastor who ministers to a particular congregation. The statute does require, though, that the residence be used as a parsonage. Therefore, so long as the resident is a minister who is not retired or otherwise unconnected to church functions, such a home is used as a parsonage and therefore qualifies for the exemption.[122]

Therefore, traveling ordained clergy who may use the subject property would not establish their residence given their temporary stay.

In previous cases, the Tribunal has relied on the dictionary and other sources to define the terms parson and pastor. "Both parson and pastor connote a minister, or rector, having charge of a local church or parish or body of churches."[123] The holding in *St. John's Evangelical Lutheran Church v Bay City* relied on the definition held in *St. Matthew Lutheran* that a parsonage is for ordained clergy.[124] In *Congregation B'nai Jacob v Oak Park*, the Court of Appeals held that the pastor, or his assistants, must be ordained and be responsible for the religious needs of the congregation to receive the exemption under MCL 211.7s.[125] It is clear from the caselaw, that Petitioner's claim of a parsonage must satisfy a minimum of four factors: (1) existence of a religious society that (2) owns the residence that is (3) the residence of a parson or clergy, (4) who is ordained by that religious society. Here, the issue of Petitioner as a religious society

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[120] *St Joseph's Church,* 189 Mich at 413 (citations omitted).
[121] *West Mich Annual Conference of the United Methodist Church v Grand Rapids*, 336 Mich App 132, 142; 969 NW2d 813 (2021).
[122] *Id.* at 138–39.
[123] *St John's Evangelical Lutheran,* 114 Mich App at 624, 319 NW2d 378 (1982) quoting 76 CJS, Religious Societies, § 39 at 795-796.
[124] *Id. at* 624-625.
[125] *Congregation B'nai Jacob v Oak Park*, 102 Mich App 724; 302 NW2d 296 (1981).

has been established. Further, the parties do not dispute that Petitioner owns the residences. Therefore, the remaining questions are whether the subject property is the residence of a parson or clergy who is ordained in that religious society.

In the instant case, Mr. Mercer testified about Petitioner's lay minister employees. The lay ministers may host retreats and conferences. Mr. Mercer further testified:

> A: So we as lay ministers, we teach the faith, we encourage other people to pray, and do different devotions. We also assist the priest during the Catholic Liturgy, which is known as the mass. Although as a lay minister, I'm not authorized to celebrate the mass, but I can assist.
>
> Q Understood. And so there are certain things, there are certain duties that would be reserved for a priest, would those be certain sacraments?
>
> A: Yeah, exactly. So the priest is the one that is -- you have to be an ordained Catholic Priest to celebrate the mass, to perform a marriage, or let's say last rights or funerals. But Catholic Laity are allowed to assist in the mass. For example, Robert will sometimes do the readings at the mass. Andrew will help out in preparation of the altar and that kind of stuff.[126]

Another consideration is the lay minister's training. The only employee that has formal training is Mr. Moe, who has a bachelor's degree and master's degree in theology.[127] He teaches theology, Latin, literature, speech, and debate at St. Michael High School.[128] However, Mr. Mercer testified that the Catholic Church does not require lay ministers to have any formal training. Nor is there any document or ritual to become a lay minister. For instance, the Catholic Church recognizes every Catholic school teacher as a lay minister. Essentially, anyone who has been baptized and confirmed in the Catholic Church is, or can be, a lay minister.

Last, a lay minister does not have the same rights and duties as an ordained priest. For instance, Mr. Mercer testified that the ordained priest consecrates and transforms the Eucharist.[129] Mr. Moe testified that he and his wife are trained as Extraordinary Ministers, who can assist the ordained priests with certain duties. This position requires oversight by ordained clergy. Mr. Moe further testified that his daily duties are not under the supervision of an ordained clergy. Mr. Moe testified that they have mass at the property approximately four times a year. Extraordinary Ministers may only act under the supervision of the officiating ordained priest. During 2024, Mr. Moe served in this role four to five times. He also confirmed that he is not authorized to conduct liturgical sacramental worship.[130]

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[126] Tr. at 24:7-21.
[127] Tr. at 113:6-7.
[128] Tr. at 112:4-6.
[129] Tr. at 53:22-25.
[130] Tr. at 130:8-10.

Petitioner points to three cases to support their arguments under MCL 211.7s, however none of them involve parsonages. First, in *Christian Reformed Church in North America v City of Grand Rapids*, the court held that church owned property used for administrative purposes qualify for an exemption.[131] However, that case was decided under MCL 211.7d, a predecessor to the current educational and charitable institution exemption that is now MCL 211.7o. While this case supports an exemption for the parts of Petitioner's property that already receive an exemption under MCL 211.7o, it does not provide persuasive authority to extend the exemption to the personal residences under MCL 211.7s. Second, Petitioner's reliance on the Tribunal's holding in *St. George Orthodox Church v Frenchtown Twp*[132] is also misplaced. The Tribunal held that renting a religious hall to third-parties when the church was not being used did not "destroy its predominant religious use."[133] The Tribunal held that the hall was located on the same parcel and shared the same parking lot as the main church building and the "incidental use does not change the predominant character."[134] The instant case is distinguishable because the property is occupied by Petitioner's employees as rent-free personal residences. Third, Petitioner's reliance on *Elturk v City of Warren* is also misplaced.[135] *Elturk* involved a parking lot that was adjacent to a house of worship and vacant land that the institution had not yet developed. *Elturk*, if anything, supports Respondent's argument for a partial exemption where a property contains both exempt and non-exempt uses because the parking lot was found to be exempt but the vacant and undeveloped land was not.[136] Otherwise, it is distinguishable from the instant case, which involves rented personal residences to employees who are not clergy.

Respondent counters with more relevant authorities that involve parsonages, which include *St Joseph's Church v Detroit*,[137] *St Matthew Lutheran Church v Delhi Twp*,[138] and *Congregation B'nai Jacob v Oak Park*.[139] Most persuasive is the Court of Appeal's holding in *St Matthew Lutheran Church v Delhi Twp* (houses provided to the superintendent of the school and lay minister who was an instructor in the school were not exempt).[140] The courts in each of these cases considered whether the occupant of the residence was ordained by the respective church. For instance, in *St. Matthew Lutheran*, the Court of Appeals held, "[w]e conclude from the statutory language creating the exemption and the Supreme Court's definition of 'parsonage' that the

[131] Petitioner's Brief, at 7 citing *Christian Reformed Church in North America v Grand Rapids*, 104 Mich App 10, 5-11; 303 NW2d 913 (1981).
[132] Petitioner's Brief, at 7 citing *St George Orthodox Church v Frenchtown Twp,* MTT Docket No. 346986 (2010).
[133] *Id.*
[134] *Id.*
[135] Petitioner's Brief, at 7-8 citing *Elturk v City of Warren, MTT Docket No. 14-002502 (March 16, 2016).*
[136] *Elturk v City of Warren,* at 6, MTT Docket No 14-002502 (March 16, 2016).
[137] *St. Joseph's Church v Detroit,* 189 Mich 408; 155 NW 588 (1915)
[138] *St Matthew Lutheran Church v Delhi Twp,* 76 Mich App 597, 599; 257 NW2d 183 (1977).
[139] *Congregation B'nai,* 102 Mich App 724.
[140] *St Matthew Lutheran,* 76 Mich App at 598–599.

exemption applies to any church owned house occupied by a minister ordained in *that* church."[141]

Here, Mr. Moe and Mr. Mercer admit that they are not ordained clergy in the Catholic faith. Further, the testimony and evidence clearly demonstrate that none of the occupants of any of the residences are ordained clergy. The Tribunal finds that none of the occupants of the subject property are ordained clergy of the Catholic faith.

Next, the Tribunal is not persuaded by Petitioner's argument that the residences are parsonages because ordained clergy have stayed as overnight guests.[142] Petitioner has not provided any evidence that any clergy stayed at the subject property during the years at issue. Further, the Tribunal has found that Petitioner's overnight guests, including possible ordained clergy, would stay in the spare room in the main building rather than employee's residences. Petitioner's witnesses provided credible testimony that there is no room in the residences for Petitioner's overnight guests. Most critical, Petitioner has not provided any authority that hosting transient ordained clergy can establish a parsonage. Instead, there is clear authority in *St. Joseph's Church v City of Detroit* and *West Mich Annual Conference of the United Methodist Church v Grand Rapids* that the ordained clergy must make the property their residence to be considered a parsonage.

While the Tribunal finds that Petitioner has met their burden of proof that they are a religious society, the Tribunal finds that the occupants of Petitioner's residences are not ordained clergy. Therefore, the Tribunal concludes that the subject property is not entitled to exemption under MCL 211.7s for the years at issue.

JUDGMENT

IT IS ORDERED that the property's SEV and TV for the tax years at issue are AFFIRMED as set forth in the Introduction section of this Final Opinion and Judgment.

IT IS FURTHER ORDERED that the officer charged with maintaining the assessment rolls for the tax years at issue shall correct or cause the assessment rolls to be corrected to reflect the property's true cash and taxable values as finally shown in this Final Opinion and Judgment within 20 days of the entry of the Final Opinion and Judgment, subject to the processes of equalization. See MCL 205.755. To the extent that the final level of assessment for a given year has not yet been determined and published, the assessment rolls shall be corrected once the final level is published or becomes known.

IT IS FURTHER ORDERED that the officer charged with collecting or refunding the affected taxes shall collect taxes and any applicable interest or issue a refund within 28 days of entry of this Final Opinion and Judgment. If a refund is warranted, it shall

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[141] *Id. at* 599 (emphasis added).
[142] Petitioner's Brief at 3.

include a proportionate share of any property tax administration fees paid and penalty and interest paid on delinquent taxes. The refund shall also separately indicate the amount of the taxes, fees, penalties, and interest being refunded. A sum determined by the Tribunal to have been unlawfully paid shall bear interest from the date of payment to the date of judgment, and the judgment shall bear interest to the date of its payment. A sum determined by the Tribunal to have been underpaid shall not bear interest for any time period prior to 28 days after the issuance of this Final Opinion and Judgment. Pursuant to MCL 205.737, interest shall accrue (i) after December 31, 2013, through June 30, 2016, at the rate of 4.25%, (ii) after June 30, 2016, through December 31, 2016, at the rate of 4.40%, (iii) after December 31, 2016, through June 30, 2017, at the rate of 4.50%, (iv) after June 30, 2017, through December 31, 2017, at the rate of 4.70%, (v) after December 31, 2017, through June 30, 2018, at the rate of 5.15%, (vi) after June 30, 2018, through December 31, 2018, at the rate of 5.41%, (vii) after December 31, 2018, through June 30, 2019, at the rate of 5.9%, (viii) after June 30, 2019, through December 31, 2019, at the rate of 6.39%, (ix) after December 31, 2019, through June 30, 2020, at the rate of 6.40%, (x) after June 30 2020, through December 31, 2020, at the rate of 5.63%, (xi) after December 31, 2020, through June 30, 2022, at the rate of 4.25%, (xii) after June 30, 2022, through December 31, 2022, at the rate of 4.27%, (xiii) after December 31, 2022, through June 30, 2023, at the rate of 5.65%, (xiv) after June 30, 2023, through December 31, 2023, at the rate of 8.25%, (xv) after December 31, 2023, through June 30, 2024, at the rate of 9.30%, (xvi) after June 30, 2024, through December 31, 2024, at the rate of 9.50%, (xvii) after December 31, 2024, through June 30, 2025, at the rate of 9.47%, (xviii) after June 30, 2025, through December 31, 2025, at the rate of 8.66%, and (xix) after December 31, 2025, through June 30, 2026, at a rate of 8.48%.

This Final Opinion and Judgment resolves all pending claims in this matter and closes this case.

APPEAL RIGHTS

If you disagree with the final decision in this case, you may file a motion for reconsideration with the Tribunal or a claim of appeal with the Michigan Court of Appeals.

A motion for reconsideration must be filed with the Tribunal with the required filing fee within 21 days from the date of entry of the final decision. Because the final decision closes the case, the motion cannot be filed through the Tribunal's web-based e-filing system; it must be filed by mail or personal service. The fee for the filing of such motions is $50.00 in the Entire Tribunal and $25.00 in the Small Claims Division, unless the Small Claims decision relates to the valuation of property and the property had a principal residence exemption of at least 50% at the time the petition was filed or the decision relates to the grant or denial of a poverty or disabled veterans exemption and, if so, there is no filing fee. You are required to serve a copy of the motion on the opposing party by mail or personal service or by email if the opposing party agrees to electronic service, and proof demonstrating that service must be submitted with the

motion. Responses to motions for reconsideration are prohibited and there are no oral arguments unless otherwise ordered by the Tribunal.

Alternatively, you may file a claim of appeal with the Michigan Court of Appeals. If the claim is filed within 21 days of the entry of the final decision, it is an "appeal of right." If the claim is filed more than 21 days after the entry of the final decision, it is an "appeal by leave." A copy of the claim of appeal must be filed with the Tribunal to certify the record on appeal. There is no certification fee.

By _____

Entered: December 23, 2025
jmw

PROOF OF SERVICE

I certify that a copy of the foregoing was sent on the entry date indicated above to the parties or their attorneys or authorized representatives, if any, utilizing either the mailing or email addresses on file, as provided by those parties, attorneys, or authorized representatives.

By: Tribunal Clerk