STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
MICHIGAN TAX TRIBUNAL

South Haven Community Hospital Authority,
Petitioner,

v

MTT Docket No. 441223

City of South Haven,
Respondent.

Tribunal Judge Presiding
Victoria L. Enyart

ORDER PARTIALLY GRANTING PETITIONER'S MOTION FOR SUMMARY DISPOSITION UNDER MCR 2.116(C)(10)

FINAL OPINION AND JUDGMENT

INTRODUCTION

On August 8, 2014, Petitioner filed a Motion requesting that the Tribunal enter summary disposition in its favor in the above-captioned case. More specifically, Petitioner contends that the subject property, a medical office building, is being used exclusively for a public purpose under the requirement in MCL 211.7m, and therefore, Petitioner is entitled to the exemption.

On August 29, 2014, Respondent filed a response to the Motion, stating that the subject property should not be given a 100% exemption under MCL 211.7m as a portion of the subject property is leased to private businesses, and Petitioner is only entitled to an exemption for the parts of the subject property Petitioner actually used for public purposes.

The Tribunal has reviewed the Motion, response and the evidence submitted and finds that summary disposition should be partially granted in favor of Petitioner pursuant to MCR 2.116(C)(10). The subject property is entitled to a 92% exemption under MCL 211.7m for the 2012, 2013, and 2014 tax years.[1]

[1] Pursuant to MCL 205.737(5)(a), "… if the tribunal has jurisdiction over a petition alleging that the property is exempt from taxation, the appeal for each subsequent year for which an assessment has been established shall be added automatically to the petition. However, upon leave of the tribunal, the petitioner or respondent may request that any subsequent year be excluded from the appeal at the time of the hearing on the petition." In the instant case, no such request was made. As such, tax years 2013 and 2014 are automatically added to this appeal.

PETITIONER'S CONTENTIONS

In support of its Motion, Petitioner contends that it owns and operates the medical office building pursuant to its powers under the Hospital Authority Act, MCL 331.1, et seq, and that the building is used for its Rural Health Internal Medicine and Family Practice, Shoreline Surgical Practice, business office, Management Information System Department, medical record storage, oncology services, and hospital-based conference rooms. Petitioner argues that it meets the "used for a public purpose" requirement of MCL 211.7m because the building is used for the public purpose of providing medical and health care services, and the advancement of public health has been considered a public purpose in *City of Ecorse v Peoples Community Hospital Authority et al*, 336 Mich 490; 58 NW2d 159 (1953) and *City of Mt Pleasant v State Tax Comm'n*, 477 Mich 50; 729 NW2d 833 (2007).

Petitioner states that approximately 2,310 square feet of the building "was leased on a very limited basis to specialty medical providers, both for-profit entities and non-profit entities. All of these specialty providers come from outside of the Hospital/Authority's service area to provide specialty medical care and treatment the Hospital/Authority does not provide, all for the benefit of the Hospital/Authority's patient population." [Petitioner's Brief at 3.] Petitioner further argues that these are not full-time leases and that each specialty provider's lease is limited as to both space and time. Outside of the leased time, Petitioner states that the space was available for exclusive use by Hospital staff and physicians. Petitioner contends that all patients seen by a specialty provider leasing space are patients of the Hospital and are referred by the Hospital or physicians on the medical staff. Petitioner further contends that "[t]he specialty providers provide health care services and treatment that do not otherwise exist in the communities served by the Authority." [Petitioner's Brief at 9.] In addition, Petitioner argues that "[t]he accessibility to, and provision of, specialty services is part and parcel of the Authority's mission and legislative mandate to provide necessary and appropriate levels of healthcare to Authority's patients." [*Id*.] Petitioner states that all proceeds from the leases are reinvested back in the Authority's operations and there is no benefit to private individuals.

Further, Petitioner contends that charging and collecting rent under the lease agreements does not destroy the Authority's public purpose. Petitioner cites *County of Midland and Midland Agricultural & Horticultural Society v Larkin Twp*, MTT Docket Nos. 57412 and 71040

(October 27, 1983) and *Lake Charter Twp v City of Bridgman*, unpublished opinion per curiam of the Court of Appeals, issued August 8, 2000 (Docket No. 217708) in support of this position. Petitioner asserts that "[u]nder these decisions, the law is clear: so long as lessors of the exempt entity are using the property for a public purpose, the exemption is not lost to the governmental entity under Section 7m." [Petitioner's Brief at 12.] Petitioner further states that charging fair market rent is done to comply with federal fraud and abuse laws under the Anti-kickback Act and the Physician Self-Referral Law.

Petitioner argues that the recent decision on another parcel of property it owns is instructive.[2] Petitioner states that the Tribunal determined that the portion of the property under appeal in that case that was leased to a nail salon, chiropractor, and tax service was not exempt because it was not being used to carry out a public purpose. Petitioner argues that what is important in that appeal was the Tribunal's "focus on the furtherance of the public purposes as being indicative of whether the exemption applies, not simply the fact that the Authority leased space." [Petitioner's Brief at 14.] Petitioner states that all of the specialty providers further the public purpose of the Hospital and unlike the chiropractic practice in the prior decision, "the specialty providers in this case treat Hospital patients or patients of the Hospital's medical staff physicians, not their own patients." [*Id*.]

If a 100% exemption is not granted, Petitioner alternatively argues that it should only be taxed on the percentage of space leased to other entities. As another alternative, Petitioner argues that under MCL 211.181 Respondent should be taxing the for-profit lessees and not Petitioner.

RESPONDENT'S CONTENTIONS

Respondent contends that any exemption granted to Petitioner must be apportioned and only the part of the building actually used for public purposes should be exempt under MCL 211.7m. Respondent argues that Petitioner is not providing health care services in any of the leased spaced during the time they are being leased to private businesses and it can only be presumed that the lessees are providing health care services. Further, Respondent states that "Petitioner's claim that the patients of the private businesses are also patients of Petitioner is

[2] *South Haven Community Hospital Authority v City of South Haven*, MTT Docket No. 440789 (issued July 22, 2014).

wholly unsubstantiated by the record and irrelevant." [Respondent's Brief at 5.] Respondent argues that the leases to private businesses are a for-profit transaction and not used for a public purpose and Petitioner's claim that the lease is a public purpose due to the money being reinvested back into its operations is not the standard under the statute or case law. Respondent contends that the Michigan Supreme Court made it clear in *City of Mt Pleasant, supra*, that the property must be *used* for a public purpose. Respondent asserts that it is important that many of the leases are to for-profit businesses, not charitable organizations with a primary purpose of advancing a charitable goal. Respondent states that Petitioner's business plan does not constitute using the leased space in the building for a public purpose and that Petitioner has cited no authority for its arguments with respect to federal fraud and abuse laws under the Anti-kickback Act and the Physician Self-Referral Law. Respondent further argues that this argument is undermined by Petitioner leasing to for-profit businesses that are not covered by the Physician Self-Referral Law.

Respondent states that Petitioner raised the argument for taxation of the lessees under MCL 211.181 for the first time in its Motion. Respondent argues that "for lessees to be assessed separately under MCL 211.181, the property owner must put the taxing authority on notice *prior to assessment* so that a separate parcel number can be issued for the taxable property." [Respondent's Brief at 7; emphasis in original.] Respondent states that Petitioner has never requested that the tenants be separately assessed and more importantly, the leases submitted into evidence do not reflect that the tenants are required to pay property taxes.

STIPULATED FACTS

Although the Tribunal is precluded from making any findings of fact in deciding a motion for summary disposition under MCR 2.116(C)(10), see *Amerisure Ins Co v Plumb*, 282 Mich App 417, 431; 766 NW2d 878 (2009), the Tribunal is required to render judgment on the basis of the stipulated facts if the same are sufficient to do so. See MCR 2.116(A). With that, the following are facts that were stipulated to by the parties in their Stipulated Facts filed on July 9, 2014:

1. South Haven Community Hospital Authority is duly organized and operating pursuant to statutory authority granted under the Michigan Hospital Authority Act, MCL 331.1, *et. seq*. (the "Act").

2. South Haven Community Hospital Authority is comprised of the following combination of two (2) cities and seven (7) townships joining under the Act: cities of South Haven and Bangor; townships of Arlington, Bangor, Casco, Columbia, Covert, Geneva and South Haven.

3. South Haven Community Hospital Authority is operated as a non-profit healthcare system, fully accredited by the Joint Commission, providing health care and medical services to the general public and residents of the city and township authority members.

4. The City of South Haven is a municipal corporation duly organized and existing under the laws of the State of Michigan.

5. South Haven Community Hospital Authority is the fee simple owner of certain real property located at 955 Bailey Avenue, South Haven, Michigan, Parcel No. 80-53-620-003-00 ("Property").

6. The total square footage of the building is 31,355 square feet. 2,384 square feet is leased or licensed on a limited basis as to both time and square footage by entities other than South Haven Community Hospital Authority for the express purpose of providing direct medical care to patients from the community. The remaining portion of the [Medical Office Building] is used exclusively by South Haven Community Hospital Authority for programs, departments, medical offices for employed Providers, storage and direct medical care of patients.

7. The entities designated on Schedule A possess binding lease agreements with South Haven Community Hospital Authority for limited use of the leased space.

8. The 2012 and 2013 Use Schedules attached as Schedule B and C are accurate and reflect those dates that an entity may, in a limited manner, use the space for providing health care services.

9. When the space is not being used by an outside health care provider, the space is used by South Haven Community Hospital Authority as its representatives direct.

10. For the 2012 tax year, the City of South Haven determined that the taxable value of the Property was $96,371 and submitted the tax bill [to] South Haven Community Hospital Authority, which is the taxpayer of record. Notwithstanding South Haven Community Hospital Authority's objection and the pendency of this tax appeal, South Haven Community Hospital Authority paid the 2012 tax bill in full.

11. For subsequent tax year 2013, the City of South Haven submitted its assessment of the Property in the amount of $98,693 to South Haven Community Hospital Authority.

12. South Haven Community Hospital Authority contends the taxable value should be $0 because it alleges the property is tax exempt under MCL 211.7m.

APPLICABLE LAW

There is no specific Tribunal rule governing motions for summary disposition. Therefore, the Tribunal is bound to follow the Michigan Rules of Court in rendering a decision on such motions. See TTR 215. In this case, Petitioner moves for summary disposition under MCR 2.116(C)(10). Summary disposition under MCR 2.116(C)(10) tests the factual support for a claim and must identify those issues regarding which the moving party asserts there is no genuine issue of material fact. Under subsection (C)(10), a motion for summary disposition will be granted if the documentary evidence demonstrates that there is no genuine issue of material fact, and the moving party is entitled to judgment as a matter of law. See *Smith v Globe Life Ins Co*, 460 Mich 446, 454-455; 597 NW2d 28 (1999). In the event, however, it is determined that an asserted claim can be supported by evidence at trial, a motion under (C)(10) will be denied. See *Arbelius v Poletti*, 188 Mich App 14; 469 NW2d 436 (1991).

The Michigan Supreme Court has established that a court must consider affidavits, pleadings, depositions, admissions, and documentary evidence filed by the parties in the light most favorable to the non-moving party. See *Quinto v Cross and Peters Co*, 451 Mich 358, 362; 547 NW2d 314 (1996) (citing MCR 2.116(G)(5)). The moving party bears the initial burden of supporting its position by presenting its documentary evidence for the court to consider. See *Neubacher v Globe Furniture Rentals, Inc*, 205 Mich App 418, 420; 522 NW2d 335 (1994). The burden then shifts to the opposing party to establish that a genuine issue of disputed fact exists. *Id.* Where the burden of proof at trial on a dispositive issue rests on a non-moving party, the non-moving party may not rely on mere allegations or denials in pleadings but must go beyond the pleadings to set forth specific facts showing that a genuine issue of material fact exists. See *McCart v J Walter Thompson USA, Inc*, 437 Mich 109, 115; 469 NW2d 284 (1991). If the opposing party fails to present documentary evidence establishing the existence of a material factual dispute, the motion is properly granted. See *McCormic v Auto Club Ins Ass'n*, 202 Mich App 233, 237; 507 NW2d 741 (1993).

CONCLUSIONS OF LAW

The General Property Tax Act ("GPTA"), Act 206 of 1983, provides that "all property, real and personal, within the jurisdiction of this state, not expressly exempted, shall be subject to taxation." MCL 211.1. "Exemption statutes are subject to a rule of strict construction in favor of

the taxing authority." *Huron Residential Services for Youth, Inc v Pittsfield Charter Twp*, 152 Mich App 54, 58; 393 NW2d 568 (1986). Further, a petitioner seeking a tax exemption, under an already-exempt class, bears the burden of proving that it is entitled to the exemption by a preponderance of the evidence. *ProMed Healthcare v City of Kalamazoo*, 249 Mich App 490, 494-495; 644 NW2d 47 (2002).

MCL 211.7m states:

> Property owned by, or being acquired pursuant to, an installment purchase agreement by a county, township, city, village, or school district used for public purposes and property owned or being acquired by an agency, authority, instrumentality, nonprofit corporation, commission, or other separate legal entity comprised solely of, or which is wholly owned by, or whose members consist solely of a political subdivision, a combination of political subdivisions, or a combination of political subdivisions and the state **and is used to carry out a public purpose** itself or on behalf of a political subdivision or a combination is exempt from taxation under this act. [Emphasis added.]

Because there is no dispute that Petitioner owns the subject property and is an authority, within the meaning of MCL 211.7m and MCL 331.1, the sole issue before the Tribunal is whether, and to what extent, the subject property is used for public purposes to be entitled to an exemption from ad valorem taxation under MCL 211.7m.[3]

In *City of Mt Pleasant, supra* at 54, the Michigan Supreme Court, in addressing the meaning of public purpose under MCL 211.7m, reiterated its prior position that "a 'public purpose' promotes 'public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within the municipal corporation [. . . .]'"

As recognized by both parties, the Tribunal has recently issued an opinion on another parcel owned by Petitioner, based on similar facts, in MTT Docket No. 440789. In that case, the Tribunal determined that "there is no disagreement that the portion of the subject property used by Petitioner during the tax year at issue was used to carry out a public purpose and is therefore exempt under MCL 211.7m, the parties do disagree as to the same regarding the portion of the subject property leased to private businesses." [*Id* at 8.] Similarly, there is no dispute in the

[3] "The Legislature is presumed to know the rules of grammar," and as the word "and" is "a conjunction, meaning 'with,' 'as well as,' or 'in addition to,'" it, naturally, follows that, due to the inclusion of the word "and" in MCL 211.7m, there are two criteria that must be met in order to qualify for an exemption under MCL 211.7m. *Auto-Owners Ins Co v All Star Lawn Specialists Plus Inc*, 303 Mich App 288, 300; 845 NW2d 744 (2013).

present appeal that the portion of the subject property used solely by Petitioner is exempt under MCL 211.7m. In this case, the parties have stipulated to the fact that the building is 31,355 square feet and 2,384 square feet is leased; therefore, Petitioner is using 28,971 square feet, or 92.4% of the subject property and this use is for a public purpose.

Similar to the appeal in MTT Docket No. 440789, the parties are in disagreement as to whether the portion of the subject property leased to other businesses is entitled to an exemption under MCL 211.7m. Petitioner cites several of the same cases in support of its position that were cited in the previous appeal involving Petitioner's other property. The Tribunal finds the analysis contained in MTT Docket No. 440789 adequately and correctly addressed these cited cases. Specifically, the Tribunal again finds that:

> Petitioner analogizes its practice of putting any income it receives from rent back into its own operations with the petitioner in *Midland Co, supra*[4]; however, the Tribunal, in rationalizing its finding that a portion of the property in question in *Midland Co* was entitled to an exemption under MCL 211.7m, stated, in part, that "[s]ince the sub-leasing [of this portion of the property] is only done during non-fair periods, it does not impede or diminish the stated public purpose for the property." *Midland Co, supra* at 136. In our case, there was no temporal period during the 2012 tax year indicated in which Petitioner did not use the subject property. [MTT Docket No. 440789 at 9.]

Petitioner points to the decision in MTT Docket No. 440789 and argues that what is important from that decision is the Tribunal's "focus on the furtherance of the public purposes as being indicative of whether the exemption applies, not simply the fact that the Authority leased space." [Petitioner's Brief at 14.] Specifically, Petitioner references the following:

> Natural Nails and Jackson Hewitt do not provide the same services that Petitioner provides (i.e., health care and medical services), and even though Oberheu Chiropractic does provide such services, it does so on a for-profit basis and only to its own patients. [MTT Docket No. 440789 at 9 – 10, Petitioner's Brief at 14.]

The quoted language by Petitioner from the Tribunal's previous decision is part of the Tribunal's analysis of Petitioner's argument under *Flint Community Schools v Mundy Twp*, 15 MTTR 283, (Docket No. 316686, June 19, 2006), with respect to the collection of rent not destroying entitlement to a tax exemption. In *Flint Community Schools*, the Tribunal found that the fee charged did not negate entitlement to an exemption under MCL 211.7m because the fees

[4] *Midland Co v Larkin Twp*, 3 MTTR 133, 136 (Docket Nos. 57412 & 71040, October 27, 1983)

charged were for "unique educational opportunities to the community [that were] not inconsistent with the Flint School District's primary purpose of education . . . ." In MTT Docket No. 440789, the Tribunal reasoned that the lessees did not provide the same services as Petitioner, and even though the chiropractic office did provide similar services, it did so on a for-profit basis and only to its own patients. As such, *Flint Community Schools* was distinguishable from the case before the Tribunal.

Petitioner contends that when the quoted reasoning from MTT Docket No. 440789 is applied to the present case, all of the property should be exempt because all of the specialty providers leasing space further the public purpose of the Hospital. Petitioner further argues that its leases are to both for-profit and non-profit businesses and that all patients seen by a specialty provider leasing space are patients of the Hospital and are referred by the Hospital or physicians on the medical staff. In response to Petitioner's arguments, Respondent contends that the leases are for-profit transactions that are not furthering a public purpose. Respondent further contends that Petitioner's claim that the patients of the lessees are also patients of Petitioner has not been substantiated.

The Tribunal finds that *Flint Community Schools, supra*, cannot be relied upon to support a finding that Petitioner is entitled to an exemption to the space leased to private businesses, regardless of whether or not such businesses provide the same or similar services as Petitioner. *Flint Community Schools* did not involve leases of a portion of the property to other businesses or entities. Rather, that case involved property (the Genesee Area Skills Center) owned and jointly operated by a tax exempt educational entity (Flint Community Schools) and Genesee Intermediate School District. Part of the Genesee Area Skills Center included a Base Camp Challenge Center ("Base Camp"). The Base Camp was offered for use to groups and businesses for a nominal fee and was never rented out. In determining that Flint Community Schools was entitled to an exemption under MCL 211.7m, the Tribunal reasoned that simply charging a nominal fee, which was the approximate cost to cover overhead for operating the building and salaries of the course instructors, was not inconsistent with the primary purpose of education. In the present case, Petitioner is not merely charging a nominal fee to the private businesses for use of its facility. Petitioner is leasing out space in its facility, which is distinguishable from *Flint Community Schools* in which the property was not rented out. Further, Petitioner does not

contend that the leases are only for a nominal amount; Petitioner asserts only that the proceeds from the leases are reinvested back into the Authority and are not used to benefit private individuals.

While *Flint Community Schools* does not support Petitioner's position, Petitioner also cites *Lake Twp v City of Bridgman*, unpublished opinion per curiam of the Court of Appeals, issued August 8, 2000 (Docket No. 217708). In that case the property was owned by the township and leased to the State of Michigan as a police post, which all parties agreed was a public purpose. The respondent argued that the exemption under MCL 211.7m did not apply because the petitioner did not use the property for its own public purpose. The Court of Appeals rejected this argument and found that "we are not convinced that the collection of rent destroys entitlement to an exemption under § 7m where the property is being used for a public purpose . . . ."

The fact that Petitioner charges and collects rent from the lessees is not a sufficient reason to deny an exemption for the portions of the property leased to private businesses under *Lake Twp, supra* ("we are not convinced that the collection of rent destroys entitlement to an exemption under §7m where the property is being used for a public purpose . . . .") Respondent further argues, however, that Petitioner is not providing any health care services in the leased spaces. The Court of Appeals in *Lake Twp, supra,* addressed the interpretation of being used for "a" public purpose under MCL 211.7m and found that "[t]he statute unambiguously provides that the property owned by the township be used for 'a' public purpose. There is no language suggesting that the Legislature intended that petitioner township use the property for a public purpose unique to the township."

Additionally, Respondent argues that many of the leases are to for-profit businesses that do not serve a charitable purpose. Respondent has not cited any case law or other authority to support its position that the property cannot be leased to for-profit entities and still receive an exemption under MCL 211.7m. Respondent did provide a 1985 letter from the State Tax Commission advising Petitioner that "if the property is leased, or otherwise made available to doctors for their private practice, the property is subject to taxation even though owned by the Community Hospital Authority." [Respondent's Exhibit B.] This letter, however, is neither binding nor persuasive in the present appeal before the Tribunal. The Tribunal finds that none of

the cases cited by Petitioner involved leases to for-profit entities and the Court of Appeals was therefore not required to take the for-profit status of the other entities into consideration in those cases.

The statute at issue, MCL 211.7m, provides an exemption to property owned or being acquired by a county, township, city, village, school district, or political subdivision, that is being used for a public purpose. The statute does not state that the exemption is available to other entities, for-profit or otherwise. Further, while the Court of Appeals in *Lake Twp, supra*, held that the property must be used for "a" public purpose, but not necessarily unique to the township owning the property, this was an unpublished opinion and was not based on a similar factual scenario. Unpublished opinions do not constitute binding precedent; however, they may be considered "instructive or persuasive." MCR 7.215(C)(1); *People v Jamison,* 292 Mich App 440, 445; 807 NW2d 427 (2011). The Tribunal finds that the decision in *Lake Twp* is not persuasive in the present case. The parties in this appeal, unlike *Lake Twp,* are not in agreement that the use by the lessee is for a public purpose, and of even more significance, several of the lessees in the present case are for-profit entities. The Tribunal finds that Petitioner has failed to establish that the portions of the subject property leased to private businesses, both for-profit and non-profit, are used for a public purpose and entitled to be exempt under MCL 211.7m.

If a 100% exemption was not granted, Petitioner contends in the alternative that it is the lessees that should be taxed under MCL 211.181(1), which provides:

> Except as provided in this section, if real property exempt for any reason from ad valorem property taxation is leased, loaned, or otherwise made available to and used by a private individual, association, or corporation in connection with a business conducted for profit, the lessee or user of the real property is subject to taxation in the same amount and to the same extent as though the lessee or user owned the real property.

In *Star International Academy v City of Dearborn Heights,* unpublished opinion per curiam of the Court of Appeals, issued April 17, 2014 (Docket No. 314036) the Court of Appeals held that "[i]f the tribunal decided that MCL 211.181(1) applied to this case, taxes would be assessed to HES and not Star. Therefore, because the applicability of MCL 211.181(1), would affect an entity that is not a party to this case, the tribunal did not err by declining to address this issue." Similarly, the Tribunal declines to address this issue, as if it was found by the Tribunal

that MCL 211.181(1) applied, taxes would be assessed to all of the lessees and not Petitioner, and the lessees are not a party to this case.

Given the above, and having considered the affidavits, pleadings, and documentary evidence filed by the parties in the light most favorable to Respondent as the non-moving party, the Tribunal finds that there is no genuine issue with respect to any material fact. Further, the Tribunal finds that the portion of the subject property that was leased, as of the relevant tax days, is not entitled to an exemption under MCL 211.7m. Therefore, since the subject property is 31,355 square feet and 2,384 square feet is leased, Petitioner is entitled to an exemption of 92% for the 2012, 2013, and 2014 tax years.[5]

JUDGMENT

IT IS ORDERED that Petitioner's Motion for Summary Disposition under MCR 2.116(C)(10) is PARTIALLY GRANTED.

IT IS FURTHER ORDERED that the subject property is entitled to a 92% exemption from ad valorem taxation under MCL 211.7m for the 2012, 2013, and 2014 tax years.

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 exemption for the tax years at issue within 20 days of entry of this Final Opinion and Judgment.

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 as required by this Final Opinion and Judgment within 28 days of the entry of the Final Opinion and Judgment. If a refund is warranted, it shall, unless otherwise indicated, include a proportionate share of any property tax administration fees paid and of penalty and interest paid on delinquent taxes. The refund shall also, unless otherwise indicated, 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, unless otherwise indicated, 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

[5] *McFarlan Home v City of Flint*, 105 Mich App 728, 733; 307 NW2d 712 (1981), wherein the Court of Appeals specifically stated that "property may be apportioned for purposes of granting exemptions for charitable uses."

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, 2009, at the rate of 1.23% for calendar year 2010, (ii) after December 31, 2010, at the rate of 1.12% for calendar year 2011, (iii) after December 31, 2011, and prior to July 1, 2012, at the rate of 1.09% and (iv) after June 30, 2012, through December 31, 2014, at the rate of 4.25%.

This Final Opinion and Judgment resolves the last pending claim and closes the case.

By: Victoria L. Enyart

Entered: Oct. 3, 2014
klm