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MICHIGAN ADMINISTRATIVE HEARING SYSTEM
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Dear Tax Tribunal Practitioner:

As a result of the abuse of the Tribunal's current prehearing and show cause process, the Tribunal will be modifying that process effective with valuation disclosures and prehearing statements due after October 1, 2013. Although parties are given notice and a sufficient opportunity to conduct discovery, discuss settlement, and prepare their valuation disclosures and prehearing statements for timely submission, most parties fail to file their valuation disclosures and prehearing statements by the dates established in the Prehearing General Call and Orders of Procedure. Rather, parties wait until the prehearing conference to submit their valuation disclosures and prehearing statements, which requires the Tribunal to commence the prehearing conference as a show cause hearing to determine whether those parties should be permitted to offer their untimely valuation disclosure for admission or witnesses to testify. See TTR 231 and 237. See also MCL 205.732. Such decisions are not easily made as they could preclude or otherwise prevent parties from presenting their case and potentially impact the timely resolution of cases. As a result, the Tribunal will no longer be conducting show cause hearings. Instead, the Tribunal will be issuing orders holding parties in default for failing to timely file and exchange their valuation disclosures and prehearing statements. Further, the Tribunal will be treating such failures as establishing a history of deliberate delay, given the notice and opportunity provided to prepare valuation disclosures and prehearing statements for timely submission. See *Grimm v Treasury*, 291 Mich App 140; 810 NW2d 65 (2010).

There have also been questions regarding what is meant by the "closing of pre-valuation disclosure" or the "closing of post-valuation disclosure discovery." The Tribunal's intent in using those terms was to indicate that such discovery was to be completed by those dates, which includes the filing and resolution of any motion to compel or to hold a party in default for failing to comply with an order compelling discovery and the submission of any ordered discovery by those dates, as the parties again had notice and a sufficient opportunity to conduct and complete discovery by the dates listed in the Prehearing General Call and Orders of Procedure.

With respect to the service of Entire Tribunal petitions after the issuance of a notice of docket number, we have been informed that some petitioners are changing the date on the petition from the date of filing to the date of service. Such changes are causing confusion on the part of respondents as to when the petitions were actually filed. Further, TTR 221 only contemplates or requires petitioners to “note” the assigned docket number on the petition filed with the Tribunal. As such, petitioners should not change the date or make any other changes to the petition originally filed with the Tribunal prior to the service of that petition as provided by MCL 205.735a and TTR 221, other than noting the docket number on the petition, unless otherwise ordered by the Tribunal.

Finally, orders have been issued by the U.S. Bankruptcy Court clarifying the application of the automatic stay provisions to Tribunal proceedings. Those orders permit the filing of new appeals involving the City of Detroit and the processing and resolution of those appeals and all other pending appeals involving the City of Detroit. As a result, the Tribunal will be rescheduling those proceedings that had been adjourned and conducting all proceedings that had not been adjourned as originally scheduled.

If you have colleagues or acquaintances that would benefit from keeping up-to-date with Tribunal developments, simply have them send an e-mail message to Cindy Maurer at maurerc@michigan.gov with “SUBSCRIBE” in the subject line. To unsubscribe, simply reply to this e-mail with the word “UNSUBSCRIBE” in the subject line.