

STATE OF MICHIGAN
DEPARTMENT OF TREASURYRICK SNYDER
GOVERNORNICK A. KHOURI
STATE TREASURER

DATE: May 6, 2015

TO: Jeff Cobb, Secretary of the Senate
Gary Randall, Clerk of the House
Ellen Jeffries, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency

FROM: David A. Buick, Administrator
Assessment and Certification Division
Bureau of Local Government Services

SUBJECT: Personal Property Audit Annual Report (Calendar Year 2014)

Please find attached one copy of the Personal Property Audit Annual Report for the period January 1, 2014 through December 31, 2014. The report is required by Public Act 59 of 2013, the General Government Appropriations Act. Article VIII, Section 927 of the Act provides, in part, as follows:

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

If you have any questions regarding this report, you may contact David A. Buick, Administrator, Assessment and Certification Division at (517) 373-3305.

Attachment

cc: Tom Saxton, Chief Deputy Treasurer
Wayne Workman, Deputy State Treasurer
Howard Ryan, Director, Office of Legislative Affairs
Paul Connors, Legislative Liaison
Cindy Peruchietti, Budget Director

Personal Property Audit Program Annual Report (Calendar Year 2013/2014)

During fiscal year 2012/13, the Department of Treasury modified the existing Tax Management Associates (TMA) personal property contract to conduct the Audit of Minimum Assessing Requirements (AMAR) program. In May 2013, the contract change notice was signed providing the mechanism for TMA to begin working on this program.

As part of Phase 1 of the AMAR program, 26 counties were identified by the State Tax Commission for TMA to conduct AMAR reviews and additional record card reviews were requested for the City of Detroit.

The original contract was set to expire on April 7, 2014. However, on March 14, 2014, the Department extended the contract for 6 months until October 7, 2014. This extension allowed for the completion of all of the Phase 1 Counties.

A new contract was issued to Tax Management Associates (TMA) on October 8, 2014, with an expiration date of October 7, 2017. This contract includes Phase II of the AMAR program as well as other property tax related audits. The State Tax Commission identified 27 counties for TMA to conduct in Phase II of the AMAR reviews.

During this reporting period, the Department did not conduct any Personal Property Tax Audits due to anticipated changes in the personal property tax statutes.