



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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**TO: Assessors
Equalization Directors**

FROM: State Tax Commission (STC)

RE: USE OF ELECTRONIC MEDIA AND PAPER COPY RECORDS

Section 10e of the General Property Tax Act reads, in part, as follows:

Beginning with the tax assessing year 1978, all assessing officials shall maintain records relevant to the assessments, including appraisal records cards, personal property records, historical assessment data, tax maps, and land value maps consistent with standards set forth in the assessor's manual published by the state tax commission.

The State Tax Commission, at its meeting on September 10, 2002, approved the use of electronic records in certain situations, where only paper copy records were allowed in the past. This bulletin will address this matter under 5 separate headings:

- 1) The Assessment Roll
- 2) Changes to the Assessment Roll
- 3) Appraisal Record Cards
- 4) Certain Required STC Forms
- 5) Required Security Procedures

1) **THE ASSESSMENT ROLL:**

Each local unit of government shall produce an original "paper copy/hard copy" assessment roll. This original roll must be certified by the assessing officer prior to submission to the March Board of Review and certified by the members of the Board of Review at the close of its March session. This assessment roll, as certified, shall contain all changes made by the March Board of Review noted in the proper column, and shall be properly identified as the "original assessment roll".

After the close of the March Board of Review, the "original assessment roll" may be revised/amended/changed only to reflect actions as authorized by the July/December

Board of Review, the Michigan Tax Tribunal, the State Tax Commission or a court of jurisdiction.

For general public inspection use only, a local unit may provide:

- 1) A duplicate “paper copy/hard copy” assessment roll clearly identified as a “duplicate” OR
- 2) A “read only” computer terminal which will permit public viewing of the assessment roll located on the local unit’s assessment administration database.

Further, because the assessment roll is a public record, local units shall have the ability and shall be required to print a current status assessment roll (on any date) when properly requested.

2) **ASSESSMENT ROLL CHANGES:**

After the close of the March Board of Review the “original assessment roll” may be revised/amended/changed only to reflect actions as authorized by the July/December Board of Review, the Michigan Tax Tribunal, the State Tax Commission or a court of jurisdiction. At any time, the local unit shall be able to electronically produce a L-4022 that matches the signed L-4022 that served as the basis for the current year’s equalization.

If a local unit elects to utilize a duplicate “paper copy/hard copy” assessment roll for general public inspection use only, that duplicate roll shall be reflective of any and all changes authorized by the July/December Board of Review, the Michigan Tax Tribunal, the State Tax Commission or a court of jurisdiction. Further, if a local unit elects to provide a “read only” terminal, the electronic assessment roll database displayed must be reflective of any and all changes authorized by the July/December Board of Review, the Michigan Tax Tribunal, the State Tax Commission or a court of jurisdiction. Further, a local unit, when requested, must be able to produce a detailed listing of any and all changes that were authorized since the original certification by the assessing officer.

3) **APPRAISAL RECORD CARDS:**

The assessor is no longer required to maintain a current “paper copy/hard copy” of each appraisal record card provided that the security procedures described in paragraph 5 of this bulletin are followed. The following are additional requirements of the State Tax Commission:

- a) No matter which format is used, “paper copy/hard copy” or electronic/magnetic media, the appraisal record shall properly support the true cash value calculations used to establish the assessed valuation of each individual property listed on the unit’s **current** assessment roll.
- b) The assessor shall utilize the base cost tables/schedules from Volumes I and II of the official Michigan Assessor’s Manual approved by the State Tax Commission,

with their latest supplements, as prepared or approved by the State Tax Commission as a guide in preparing assessments. (The assessor may also use any other manual approved by the State Tax Commission.)

- c) No matter which format is used, “paper copy/hard copy” or electronic/magnetic media, the local unit shall be required to make available, during customary business hours, a current “paper copy” of any and all appraisal record cards on file or stored within the assessment administration database.
- d) The local unit must have the capability to suppress any and all confidential information that may have been obtained through the use of real property statements and/or personal property statements or other confidential information subject to Michigan statute outside the parameters of the General Property Tax Act.

4) **CERTAIN REQUIRED STATE TAX COMMISSION FORMS:**

A local unit is permitted to file electronic/magnetic media versions of the following STC forms and documents with the county equalization department provided that the local unit’s system is compatible (as determined by the Equalization Director) with that of the county:

- 1) STC Form L-4021 (Assessment Roll Changes Work Sheet)
- 2) STC Form L-4022 (Report of Assessment Roll Changes and Classification)
- 3) STC Form L-4025 (Report of Taxable Valuations)
- 4) Current Tax Year Assessment Roll Database

Electronic versions of items 1, 2, and 3 above must match the format of the form as established by the STC. If electronic versions of these forms are used, the same record retention periods apply to them that now apply to hard copy forms.

Important: A signed original paper copy of STC Form L-4022 shall still be timely sent to the State Tax Commission.

5) **REQUIRED SECURITY PROCEDURES:**

The State Tax Commission recognizes that the use of electronic/magnetic media records in lieu of “paper copy/hard copy” records is only as good as the measures that protect the informational database. Therefore, a local unit shall have a security system that protects the database from corruption from both internal and external forces. A local unit shall provide for and establish security procedures. As part of the security system, a local unit shall produce, complete parcel/sale record database. Additionally, the local unit shall produce, retain, and keep available, a complete backup copy of the assessment administration program as of the close of State Equalization. (This is necessary because occasionally, program updates cause changes in values in the assessment record database.) This backup shall reflect any and all changes that the equalization process has had, including changes for the calculation of capped and taxable valuations for each individual property. This backup shall be stored at a “safe” site and shall remain readable even if there is a change in software.