



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

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**Bulletin No. 20 of 2015**  
**Computerized Tax Rolls**  
**December 16, 2015**

**TO:** All Certified Assessors  
**FROM:** The State Tax Commission  
**SUBJECT:** Computerized Tax Rolls

Bulletin 10 of 2002 is rescinded.

Assessors are requested to share this information with local treasurers.

**General Information:**

Act 112 of 1990 as amended by PA 140 of 2015 permits local tax collecting units to prepare a tax roll for use as a collection and accounting tool by the assessor and treasurer that is prepared and maintained by a computer system and its software. This use is **only** permitted when the system and the procedures that are followed adhere to the requirements of the Act. This use is not permitted unless the computerized tax roll preparation and accounts receivable system have been approved for use by the State Tax Commission as being in conformance to the requirements of the Act. The Act requires the following:

- The treasurer of the local tax collecting unit and the assessor produce a final settlement tax roll to certify taxes collected to the county treasurer.
- The assessor shall certify that taxable values, state equalized valuations, adjusted valuations, and the spread of taxes and adjusted taxes are correctly recorded in the settlement tax roll.
- The treasurer of the local tax collecting unit shall certify delinquent taxes and certify that all tax collections are posted on the settlement tax roll.
- Those certifications and the settlement tax roll shall be transmitted to the county treasurer in either a computer printed format or a disk, external drive, or other electronic data processing format compatible with the computer system used by the county treasurer.
- The affidavit attached to or included with the settlement tax roll shall include documentation that authorizes and reports all changes in the pre-collection tax roll.
- The treasurer of the local tax collecting unit prepares and maintains a journal of the collections totaled and reconciled to the amount of actual collections daily.

- A payment of the tax is posted to the computerized data base system using a transaction or receipt number with the date of payment.
- The computerized data base system has internal and external security procedures sufficient to assure the integrity of the system.
- The computerized data base system is compatible with the system used by the county treasurer for the collection of delinquent taxes.

The law regarding the approval of computerized tax rolls affects only those units who wish to establish a computerized accounts receivable system and tax roll preparation system. Manually operated tax collection systems are not affected by this procedure and must conform to the statutory provisions in MCL 211.42.

**Requesting Approval:**

A local tax collecting unit may obtain permission for use of a computerized tax roll by filing Form 2696. The request must include the affirmation that **all** requirements of MCL 211.42a are met as well as provide all required documentation listed on the form for it to be considered.

A County Treasurer may obtain permission for use of a computerized tax roll by a local unit by filing Form 3944. Although a County Treasurer may seek authorization for a local unit, each local unit is still required to also sign the application.

MCL 211.42a(3) requires that a local tax collecting unit must certify that the requirements of the section are being met the third year after initial approval by the Commission, and every three years thereafter. This recertification must be made prior to May 1.

A local unit may use a computerized tax roll if the STC fails to act on an application within 120 days. Applications received by the Commission will be dated and the 120-day period will begin on the date received. Any application received that is incomplete will be returned to the applicant for an opportunity to submit missing material. If the missing material is not submitted, the Commission will deny the application before the end of the 120 day period.

If at any time the State Treasurer or the State Tax Commission believes that a local tax collecting unit is no longer in compliance, the State Treasurer or the State Tax Commission shall provide written notice to that local tax collecting unit. The notice shall specify the reasons that use of the computerized database system is no longer in compliance. The local tax collecting unit will have not less than 60-days to provide evidence that the unit is in compliance or that action to correct noncompliance has been implemented. If, after the expiration of 60-days, the State Tax Commission or the State Treasurer believes that the local tax collecting unit is not taking satisfactory steps to correct a condition of noncompliance, the State Tax Commission may withdraw approval of the use of the computerized database system as the original tax roll.

**Retention Issues:**

Although the General Property Tax Act provides that electronic tax rolls may be used as collection and accounting tools, the State Tax Commission reminds assessors that Michigan law (MCL 399.5 and 750.491) requires that all public records be kept in accordance to a retention schedule for administrative, legal, fiscal, and historical purposes. Electronic records are particularly vulnerable to rapid changes in technology, including the evolution of storage media, software, and hardware. It is recommended that all local tax collecting units discuss retention requirements with their technology providers and legal counsel.