



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

March 28, 2018

Mary Anne Jones
Chairperson
Local Community Stabilization Authority
P.O. Box 14025
Lansing, MI 48901-4025

Dear Ms. Jones:

In accordance with Section 920(2) of 2017 Public Act 107, the Department of Treasury (Treasury) is providing written notice to the Local Community Stabilization Authority that describes the potential for adjustments in subsequent personal property tax reimbursement payments.

Personal property tax reimbursements for 2018 will be adjusted by Treasury for changes to taxable values used in any prior year calculation. Pursuant to MCL 123.1354, MCL 123.1355, and MCL 123.1356, Treasury will calculate adjustments using the taxable values reported by county treasurers to the Michigan Department of Education (MDE). Treasury will not know the complete effect of the adjustments on reimbursements until the statutory deadline for finalizing reimbursements.

The adjustment for prior year taxable value changes is used in the calculation of a municipality's section 15 loss, section 16 loss, unadjusted loss, and small taxpayer exemption loss, but not in the calculation of its school debt loss, school operating loss not reimbursed by the school aid fund, or essential services distribution. A municipality will be subject to a reimbursement adjustment if Treasury determines the prior year taxable value can be calculated from the MDE data.

Additional adjustments may occur based on changes made by the Legislature to the Local Community Stabilization Authority Act, 2014 Public Act 86.

If you have any questions, please let us know. We can be reached at 517-373-2697.

Sincerely,

A handwritten signature in cursive script that reads "Evah Cole".

Evah Cole, Division Administrator
Revenue Sharing and Grants Division

c: Mr. Bob Bruner, LCSA Administrator
Michigan Department of Treasury, Budget Division