



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

GRETCHEN WHITMER  
GOVERNOR

March 28, 2019

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 2018 Public Act 207, 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 (PPT) reimbursement payments.

**Calculation of PPT Reimbursement Corrections**

PPT reimbursements for 2016, 2017, and 2018 may be adjusted by Treasury for corrections reported by municipalities to Treasury no later than March 31, 2019, under MCL 123.1358. Pursuant to MCL 123.1357, Treasury will calculate underpayments and overpayments based on errors identified and substantiated through the corrections process. Treasury will not know the complete effect of the underpayments and overpayments until May 2019.

Underpayment amounts will be distributed by the Local Community Stabilization Authority by May 20, 2019.

A net overpayment for calendar years 2016 and 2017 shall be excused by the Local Community Stabilization Authority. The amount of a calendar year 2018 overpayment exceeding \$10,000 shall be billed to the municipality by the Local Community Stabilization Authority. The municipality will repay the amount of the overpayment exceeding \$10,000 in three equal annual amounts (unless repaid sooner). If the municipality fails to repay the amount of the overpayment in excess of \$10,000, the Local Community Stabilization Authority will add interest to the entire amount of the original overpayment from the date of the notice of overpayment and may reduce future PPT reimbursements to recover the outstanding balance of the overpayment and interest.

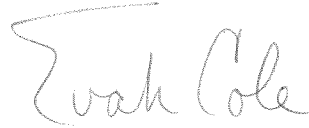
**Calculation of Prorated Qualified Loss**

The remaining balance of the calendar year 2018 Local Community Stabilization Share fund revenue will be determined once all corrections have been reviewed and all underpayment and overpayment amounts have been calculated. The Local Community Stabilization Authority will distribute the remaining balance of the calendar year 2018 Local Community Stabilization Share fund revenue to counties, cities, villages, townships, and community colleges based on each municipality's share of the qualified loss. The prorated reimbursements will be distributed by the Local Community Stabilization Authority by May 20, 2019.

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 517-335-7484.

Sincerely,

A handwritten signature in cursive script that reads "Evah Cole". The signature is written in black ink and is positioned above the printed name.

Evah Cole, Division Administrator  
Revenue Sharing and Grants Division

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