

# Council Comments:

## Citizens Research Council of Michigan

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CITIZENS RESEARCH COUNCIL OF MICHIGAN IS A 501(C)(3) TAX EXEMPT ORGANIZATION

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### THE FIFTY MILL LIMITATION: AN UPDATE

In September of 1989, the Research Council published an analysis, entitled Property Limitations in Michigan that focused on the 50 mill limitation of the Michigan Constitution which limits the aggregate rate of operating millage that can be levied by unchartered counties, unchartered townships, and school districts. The analysis noted that enforcement of the limitation was not self executing. Rather, responsibility appeared to rest with county commissioners. Subsequently in August of 1990, this view was validated by an opinion of the state Attorney General. (OAG, 1989-90, No. 6654.)

The Attorney General concluded that it is the responsibility of county commissioners to ensure that the limitation is not violated in any local unit within a county and that should county commissioners fail to discharge this responsibility, any taxpayer aggrieved by the failure may bring suit. Since the opinion was issued more than two years ago, and was distributed to local officials in all 83 counties by the state tax commission instances in which the limitation is exceeded should have ceased; however, the problem remains.

This **Council Comments** lists those instances in which aggregate millages levied on parcels of property by unchartered counties unchartered townships, and school districts exceeded 45 mills. The data are derived from 1991 apportionment reports filed by counties with the state tax commission and are for property taxes levied in 1991 for the 1991-92 fiscal year. They show that:

- There were two instances in which the aggregate operating millages levied on parcels of property by unchartered counties, unchartered townships, and school districts exceeded 50 mills compared to four instances in 1989.
- The aggregate operating millages of an increasing number of local units are approaching the 50 mill limitation. Aggregate operating millage levied on parcels of property by unchartered counties unchartered townships, and school districts exceeded 45 mills in 119 instances in 1991, compared to 81 instances in 1989. In 21 of the instances in 1991, the rates were 49 mills or more.
- As the number of instances in which local units approaching the 50 mill limitation increases, the responsibility of county boards of commissioners to enforce the limitation becomes even more significant. The state Attorney General has held that if the tax rates to be levied on a parcel of property by local units subject to the 50 mill limitation would exceed it, the county board of commissioners must reduce that millage rate which was last authorized by voters (“last in, first out”) so that the total does not exceed 50 mills.

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## Background

In 1932, voters approved an initiated amendment to the 1908 Michigan constitution, which limited property taxation to 15 mills and permitted voters to increase the limitation to a maximum of 50 mills. The present state Constitution provides for a 15 mill limitation or alternatively a “local option” of up to 18 mills, both of which may be increased by voters to a maximum of 50 mills. Millage levied within the 15 mill limitation is allocated among local units on an annual basis by a tax allocation board in each county, while millage levied under the 18 mill limitation is fixed by local voters and “extra-voted” millage up to the 50 mill limitation must also be approved by the voters.

The 15, 18, and 50 mill limitations apply only to operating millage levied by unchartered counties, unchartered townships, and school districts. Debt millage is excluded, as is millage imposed for any other purpose by any city, village, charter county, charter township, charter authority, or other authority, the tax limitations of which are provided by charter or by general law. Special assessments are also excluded -- when reported as such and when levied on real property only. These exclusions explain why the aggregate property taxes levied on property in many local units exceed 50 mills.

School district, county’s and township tax rates include both allocated and extra-voted millage, while intermediate school district tax rates include only allocated millage. Intermediate school district operating millage levied for support of special or vocational education, and community college millage, are excluded from the 50 mill limitation. In Instances where a local unit levies less than the millage authorized the tax rate subject to the 50 mill limitation is that actually levied.

**Table 1** shows the number of instances in which aggregate tax rates subject to the 50 mill limitation exceeded 45 mills in fiscal years 1988-89 and 1991-92.

**Table 1**  
**Number and Percentage of Aggregate Millages**  
**Levied Within Stated Number of Mills**

Number of Mills	1988 - 89		1991 -- 92	
	No.	%	No.	%
45.0000-45.9999	22	27%	25	21%
46.0000-46.9999	18	22%	30	25%
47.0000-47.9999	11	14%	25	21%
48.0000-48.9999	16	20%	18	15%
49.0000-49.9999	10	12%	17	14%
50.0000	0	0%	2	2%
<b>Over 50.0000</b>	<b>4</b>	<b>5%</b>	<b>2</b>	<b>2%</b>
Totals	81	100%	119	100%

Source: State Tax Commission, 1991 County Apportionment Reports; CRC calculation.

**Table 2**  
**Schools County, Township, and Intermediate School Property Taxes,**  
**Which in the Aggregate Exceed Forty-Five Mills**

School District (By County)	1991 Tax Year				Intermediate School District	Total Millage
	Millage Rate					
School District	School District	County	Township Name	Township		
<b>ALLEGAN COUNTY</b>						
Fennville	33.9674	6.6708	Lee	5.5082	0.1351	46.2815
Hamilton	33.4803	6.6708	Overisel	5.9729	0.1351	46.2591
<b>ANTRIM COUNTY</b>						
Ellsworth	35.9300	6.0642	Central Lake	3.6372	0.1879	45.8193
<b>BARRY COUNTY</b>						
Hastings	35.7797	6.9450	Woodland	2.8527	0.1274	45.7048
Thornapple-Kellogg	36.1000	6.9450	Carlton	2.5000	0.1274	45.6724
<b>BAY COUNTY</b>						
Pinconning	35.1500	8.0800	Mt. Forest	2.7940	0.2000	46.2240
<b>CALHOUN COUNTY</b>						
Battle Creek	40.4200	5.7478	Pennfield	3.5364	0.2577	49.9619
Pennfield	38.4000	5.7478	Pennfield	3.5364	0.2577	47.9419
Lakeview	41.8500	5.7478		0.0000	0.2577	47.8555
Tekonsha	37.8200	5.7478	Tekonsha	2.4664	0.2577	46.2919
Harper Creek	36.1041	5.7478	Pennfield	3.5364	0.2577	45.6460
<b>CHARLEVOIX COUNTY</b>						
East Jordan	37.5000	5.5291	Wilson	1.9990	0.1879	45.2160
<b>CHIPPEWA COUNTY</b>						
SaultSte.Marie	34.6602	7.9168	Sugar Island	3.9768	0.1896	46.7434
<b>CLINTON COUNTY</b>						
Pewamo-Westphalia	39.0000	6.2242	Eagle	2.8919	0.2000	48.3161
Fowler	39.5000	6.2242	Bengal	2.0000	0.2000	47.9242
Bath	39.9967	6.2242	Olive	0.9980	0.2000	47.4189
St Johns	38.9200	6.2242	Bingham	1.0000	0.2000	46.3442
DeWitt	39.7500	6.2242		0.0000	0.2000	46.1742
<b>DELTA COUNTY</b>						
Rapid River	35.7300	7.1000	Ensign	2.5318	0.1500	45.5118
Big BayDe Noc	35.8000	7.1000	Nahma	1.9758	0.1500	45.0258
<b>EATON COUNTY</b>						
Grand Ledge	40.5000	6.3250	Roxand	2.2500	0.2000	49.2750
Charlotte	37.5000	6.3250	Roxand	2.2500	0.2000	46.2750
<b>GENESEE COUNTY</b>						
Flint	42.0000	6.6800		0.0000	0.1500	48.8300
Beecher	42.0000	6.6800		0.0000	0.1500	48.8300
Montrose	41.9500	6.6800		0.0000	0.1500	48.7800
Kearsley	39.4000	6.6800	Davison	2.5400	0.1500	48.7700
Westwood Heights	39.0000	6.6800		0.0000	0.1500	45.8300
Fenton	38.8500	6.6800		0.0000	0.1500	45.6800
Linden	37.8202	6.6800	Gaines	1.0000	0.1500	45.6502
<b>GLADWIN COUNTY</b>						
Gladwin	34.0400	10.9600	Secord	2.5766	0.5000	48.0766

School District (By County)	Millage Rate				Intermediate School District	Total Millage
	School District	County	Township Name	Township		
<b>GOGEBIC COUNTY</b>						
Bessemer	33.9000	7.7833	Bessemer	8.0000	0.3200	50.0033
Marenisco	33.5000	7.7833	Marenisco	8.0000	0.3200	49.6033
Wakefield	33.0000	7.7833	Bessemer	8.0000	0.3200	49.1033
<b>HURON COUNTY</b>						
Owendale-Gagetown	39.3000	5.5200	Sebewaing	4.8500	0.1300	49.8000
<b>INGHAM COUNTY</b>						
Haslett	41.2000	7.5498	Williamston	0.9706	0.1990	49.9194
Dansville	40.7000	7.5498	Stockbridge	1.1805	0.1990	49.6293
Lansing	41.7800	7.5498		0.0000	0.1990	49.5288
Holt	41.1000	7.5498		0.0000	0.1990	48.8488
Mason	39.4511	7.5498	Leslie	1.0000	0.1990	48.1999
Williamston	39.4000	7.5498	Locke	1.0000	0.1990	48.1488
Okemos	38.8190	7.5498	Alaiedon	0.9914	0.1990	47.5592
East Lansing	39.6000	7.5498		0.0000	0.1990	47.3488
Webberville	38.2084	7.5498	Locke	1.0000	0.1990	46.9572
<b>IRON COUNTY</b>						
West Iron	36.4322	8.7000	Bates	4.6685	0.1700	49.9707
<b>ISABELLA COUNTY</b>						
Mt Pleasant	38.1600	7.2100	Denver	2.0000	0.2800	47.6500
Beal City	36.5000	7.2100	Nottawa	2.0000	0.2800	45.9900
Shepherd	36.0150	7.2100	Coe	2.0000	0.2800	45.5050
<b>JACKSON COUNTY</b>						
Jackson	38.5089	6.3929	Summit	1.9335	0.3954	47.2307
<b>KALAMAZOO COUNTY</b>						
Climax-Scotts	38.9100	6.3500	Climax	3.0000	0.1500	48.4100
Galesburg-Augusta	37.9000	6.3500	Climax	3.0000	0.1500	47.4000
Kalamazoo	39.4000	6.3500		0.0000	0.1500	45.9000
<b>KENT COUNTY</b>						
East Grand Rapids	42.2930	5.4194		0.0000	0.0956	47.8080
Northview	38.2482	5.4194	Ada	2.5033	0.0956	46.2665
<b>LAPEER COUNTY</b>						
Dryden	36.9846	5.0776	Dryden	4.4722	0.2192	46.7536
Lapeer	36.0936	5.0776	Dryden	4.4722	0.2192	45.8626
<b>LENANEE COUNTY</b>						
Britton-Macon	40.2238	5.4935	Ridgeway	3.3856	0.2880	49.3909
Sand Creek	39.7500	5.4935	Ogden	3.0000	0.2880	48.5315
Deerfield	37.5000	5.4935	Deerfield	4.6671	0.2880	47.9486
Tecumseh	38.0131	5.4935	Ridgeway	3.3856	0.2880	47.1802
Madison	38.5000	5.4935	Palmyra	1.9783	0.2880	46.2598
Adrian	37.5000	5.4935	Franklin	2.4185	0.2880	45.7000
<b>LIVINGSTON COUNTY</b>						
Hartland	39.6700	4.7200	Osceola	2.5482	0.0841	47.0223
<b>MACOMB COUNTY</b>						
Clintondale	45.0800	4.2000		0.0000	0.2153	49.4953
Mt. Clemens	43.8832	4.2000		0.0000	0.2153	48.2985
Fraser	43.6461	4.2000		0.0000	0.2153	48.0614
Utica	38.9290	4.2000	Washington	4.1871	0.2153	47.5314
New Haven	39.9500	4.2000	Lenox	2.9004	0.2153	47.2657

School District (By County)	Millage Rate			Township	Intermediate School District	Total Millage
	School District	County	Township Name			
<b>MACOMB COUNTY (continued)</b>						
L Anse-Creuse	40.2973	4.2000	Macomb	2.3810	0.2153	47.0936
Romeo	37.7992	4.2000	Washington	4.1871	0.2153	46.4016
Centerline	41.6400	4.2000		0.0000	0.2153	46.0553
<b>MARQUETTE COUNTY</b>						
Republic Michiga.	34.3650	7.3000	Michigamme	7.7640	0.2350	49.6640
Marquette	33.1150	7.3000	Sands	5.2817	0.2350	45.9317
<b>MIDLAND COUNTY</b>						
Meridian	38.6652	7.2250	Lincoln	3.5000	0.2000	49.5902
Bullock Creek	38.3400	7.2250	Lee	3.0000	0.2000	48.7650
<b>MUSKEGON COUNTY</b>						
Ravenna	38.7446	6.4917	Moorland	4.2828	0.4980	50.0171
Muskegon Heights	42.9750	6.4917		0.0000	0.4980	49.9647
Muskegon	41.6000	6.4917		0.0000	0.4980	48.5897
Whitehall	36.3500	6.4917	Blue Lake	4.4179	0.4980	47.7576
Reeths-Puffer	35.7946	6.4917	Blue Lake	4.4179	0.4980	47.2022
North Muskegon	39.9784	6.4917		0.0000	0.4980	46.9681
Orchard View	39.7000	6.4917		0.0000	0.4980	46.6897
Fruitport	38.2000	6.4917	Sullivan	1.0375	0.4980	46.2272
<b>NEWAYGO COUNTY</b>						
Grant	35.1000	7.3500	Ashland	4.8000	0.1500	47.4000
White Cloud	35.8000	7.3500	Goodwell	2.7500	0.1500	46.0500
<b>OAKLAND COUNTY</b>						
Pontiac	39.9381	4.7893	Bloomfield	5.0542	0.2184	50.0000
Ferndale	44.4900	4.7893		0.0000	0.2184	49.4977
Oak Park	43.3000	4.7893		0.0000	0.2184	48.3077
Berkley	42.6429	4.7893		0.0000	0.2184	47.6506
Brandon	37.7930	4.7893	Groveland	4.7510	0.2184	47.5517
Lake Orion	37.0965	4.7893	Addison	4.9186	0.2184	47.0228
Holly	36.6512	4.7893	Groveland	4.7510	0.2184	46.4099
Clarenceville	41.4000	4.7893		0.0000	0.2184	46.4077
Clawson	41.0100	4.7893		0.0000	0.2184	46.0177
Oxford	35.7179	4.7893	Addison	4.9186	0.2184	45.6442
<b>ONTONOGON COUNTY</b>						
White Pine	35.1600	12.5200	Carp Lake	1.0000	0.3200	49.0000
<b>OTTAWA COUNTY</b>						
Spring Lake	38.8754	4.7173	Spring Lake	1.7308	0.1165	45.4400
<b>SAGINAW COUNTY</b>						
Buena Vista	43.4200	6.4300		0.0000	0.1500	50.0000
Hemlock	36.5000	6.4300	Richland	5.8500	0.1500	48.9300
Saginaw	37.3000	6.4300	Zilwaukee	3.9740	0.1500	47.8540
Bridgeport-Spauld.	36.9500	6.4300	Spaulding	2.8602	0.1500	46.3902
Swan Valley	36.5749	6.4300	Swan Creek	2.8000	0.1500	45.9549
Chesaning	36.5500	6.4300	Brant	2.8000	0.1500	45.9300
<b>ST. CLAIR COUNTY</b>						
Memphis	40.1390	6.4887	Kenockee	0.9715	0.1040	47.7032
Yale	36.0200	6.4887	Grant	3.0000	0.1040	45.6127
<b>SHIAWASSEE COUNTY</b>						
New Lothrop	37.0000	6.6739	Hazelton	2.5000	0.2446	46.4185

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School District (By County)	Millage Rate				Intermediate School District	Total Millage
	School District	County	Township Name	Township		
Morrice	37.7000	6.6739	Perry	1.4382	0.2446	46.0567
Laingsburg	39.0300	6.6739	Bennington	0.9503	0.2446	46.8988
Corunna	35.8500	6.6739	New Haven	3.0000	0.2446	45.7685
<b>TUSCOLA COUNTY</b>						
Caro	33.3485	6.9382	Ellington	4.8219	0.1487	45.2573
<b>WASHTENAW COUNTY</b>						
Ypsilanti	43.8143	5.6190		0.0000	0.1073	49.5406
Manchester	40.1336	5.6190	Manchester	2.4280	0.1073	48.2879
Willow Run	40.8418	5.6190		0.0000	0.1073	46.5681
Lincoln	39.2793	5.6190	York	1.0000	0.1073	46.0056
<b>WAYNE COUNTY</b>						
Wayne-Westland	47.1236	0.0000		0.0000	0.0293	47.1529
Van Buren	45.0000	0.0000	Sumpter	1.4792	0.0293	46.5085
Westwood	45.9715	0.0000		0.0000	0.0293	46.0008
Romulus	45.6500	0.0000		0.0000	0.0293	45.6793
Taylor	45.0893	0.0000		0.0000	0.0293	45.1186
<b>WEXFORD COUNTY</b>						
Cadillac	33.2000	9.3500	South Branch	3.4066	0.3000	46.2566

Source: State Tax Commissions 1991 County Apportionment Reports; CRC calculation.