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A DISTINCTION WITHOUT A DIFFERENCE: AD VALOREM SPECIAL ASSESSMENTS AND PROPERTY TAXES

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Contents

Summary	v
Introduction.....	1
Property Taxation.....	2
The Problem: Taxes Being Levied as Assessments	3
Legal Distinctions between Property Taxes and Special Assessments.....	4
Conflicting Court Rulings	5
Why These Distinctions Matter	6
Constitutional and Statutory Restrictions on Property Taxes.....	6
Uniformity, Assessment, and Equalization.....	6
Property Tax Limitations	6
Appeals Processes.....	8
Ad Valorem Special Assessments in Michigan.....	9
1950s to Today: Growing Use of Ad Valorem Special Assessments	9
Who is Using Ad Valorem Special Assessments?	10
Possible Reasons for Increased Use	14
Funding the Same Basic Government Services Differently	15
Linkage between Property Value and Benefit is Tenuous.....	15
Taxpayer Confusion.....	15
Recommendations.....	16
Eliminate Statutory Authorizations for Unit-Wide Ad Valorem Special Assessments	16
Establish Police and Fire Authorities	17
Rethink Municipal Finance and Governance	17
New Local-Option Taxes.....	18
Regional Taxes and Service Delivery	18
Proper Role of Special Assessments	19
Conclusion.....	20
Endnotes	28

Boxes

Key Takeaways.....	v
How to Establish a Special Assessment District.....	3
Skirting Tax Limitations: A Tale of Property and Sales Taxes	9

Charts

Chart 1 Types of Local Units Levying Ad Valorem Special Assessments.....	11
Chart 2 Constitutional, Statutory, and Unfunded State Revenue Sharing, FY1981-FY2018.....	15

Figures

Figure 1 Four Types of Property Taxation.....	2
---	---

Maps

Map 1 Number of Ad Valorem Special Assessment Districts per County in 2018	12
--	----

Tables

Table 1 Differences between Property Taxes and Special Assessments	10
Table 2 Types of Ad Valorem Special Districts, 2018.....	11
Table 3 Select Townships with High Special Assessment Millage Rates, 2018	12
Table 4 Select Cities with High Special Assessment Millage Rates, 2018	13
Table 5 Local Governments with High Combined Tax Rates, 2018.....	13

Appendices

Appendix A 2018 Ad Valorem Special Assessment Districts	21
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City of Lansing v. Jenison, 201 Mich. 491, 497 (1918)

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Key Takeaways

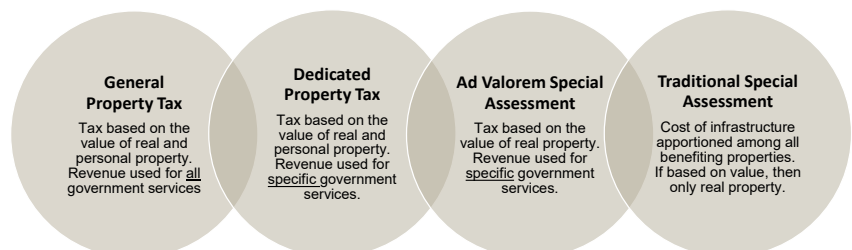
- Property taxes are used to fund general services, while special assessments exist to finance infrastructure improvements that benefit a limited number of properties. In recent years, local governments have increasingly turned to ad valorem special assessments to finance general services.
- Ad valorem special assessments are apportioned on property value and levied similar to the general property tax, but they are treated like an assessment and skirt many of the tax limitations contained in law. While their use to finance local government services is technically legal, it undermines the legal and practical distinctions between taxes and special assessments.
- Beside the policy question of whether ad valorem special assessments should be returned to their historic role, their availability to select local governments is unfair to other local governments that are supporting the same general services through property taxes and to taxpayers as their use circumvents tax limitations under state law and distorts the purpose of the special assessment.
- Ad valorem special assessments should not be maintained in their current form. State policymakers should eliminate statutory authorization for all unit-wide ad valorem special assessments and address the broken municipal finance system so that ad valorem special assessments will no longer be needed. If tax capacity is an issue, local governments should establish emergency service authorities under the process allowed for in state law since the majority of these special assessments fund public safety services.

Summary

Michigan local governments rely heavily on the taxation of property to fund services, infrastructure, and capital improvements.^a **Figure A** shows that taxes and assessments on land and property in Michigan generally fall into one of four categories that can overlap and range from general ad valorem^b property taxes (far left) to traditional special assessments (far right). Both general property taxes and traditional special assessments have a proper role in the financing of government services and projects. Property taxes are used by all types of local governments to fund various services. Traditional special assessments are levied on parcels of property within limited, specific geographic areas that benefit from capital improvements.

to finance services (mostly police and fire services), a type of special assessment based on the value of property similar to the property tax. While clear legal distinctions exist between general property taxes and special assessments, ad valorem special assessments blur the lines and allow certain local units to use them to finance general government services with an “assessment” that is not subject to the same restrictions as general property taxes. This is unfair to other local governments that are supporting the same general services through property taxes. Further, this is unfair

Figure A
Four Types of Property Taxation



Recently, local governments have increasingly turned to ad valorem special assessments

a The types of property taxes discussed here do not include debt millages, which are unlimited and do not count against millage limitations.

b Ad valorem comes from Latin and means “to the value.”

A DISTINCTION WITHOUT A DIFFERENCE

to taxpayers as their use circumvents tax limitations under state statutory and constitutional law and distorts the original purpose of special assessments.

This is not a new problem. In 1983, 87 ad valorem special assessment districts were identified generating at least \$18.2 million in revenue; in 1995, the total was 147 districts with at least \$55.5 million in revenue; by 2018, the total reached 246 district levies by 192 local governments (11 percent of the 1,773 cities, villages, and townships in Michigan) with \$195.2 million in revenue.

For the most part, previous recommendations made by the Citizens Research Council to address the use of ad valorem special assessments as a substitute for general property taxes have been ignored by local governments and state policymakers. Local governments,

some of whom are facing real fiscal challenges, are using them instead of general property taxes because the law has extended their use for basic governmental services. This legislative action has had the effect of eroding the critical connection between special assessments and public improvements which, in turn, undermines the distinction between special assessments and general taxes.

This hybrid form of property taxation is convenient to address local funding needs, but largely ignores much deeper problems in the design and functioning of Michigan's local finance system. State law and policy has greatly limited the revenue options available to locals and for many, these special assessments are the only tool they can employ. However, ad valorem special assessments should not be the solution to Michigan's municipal finance problems.

Legal Distinctions between Property Taxes and Special Assessments

While allowing special assessments to be levied for general government services is politically expedient, property taxes and special assessments are not the same and should not be treated as such. A number of court cases shed light on the legal distinctions between property taxes and special assessments and provide clear definitions of each.

Special assessments are based on the theory that capital improvements provide special benefits to some property above that which the general public enjoys. True special assessments can only be levied on land and premises (not personal property); cannot be made a personal liability of the person assessed; are based wholly on benefits; and must be exceptional as to both time and locality. The properties subject to a special assessment must receive some special benefit from the improvement differing from the benefit the general public enjoys.

Taxes, on the other hand, are defined as a charge on all property, real and personal, within the taxing jurisdiction. Taxes are levied to raise revenue for the general operation of government and to benefit the general public; they are compulsory in nature.

Despite these clear distinctions, ad valorem special assessments have been upheld in courts for specious reasons. One court reasoned that they pass muster because they are not levied on personal property. Another approved their use because it believed that an ad valorem basis for determining the benefit of a fire department was fair. These rulings ignored key aspects of previous case law providing the distinctions between general property taxes and special assessments. They seem to defer to the legislative intent in passing state laws allowing for ad valorem special assessments rather than to analyze whether the levies in question met the requirements in case law to be considered assessments rather than taxes.

Constitutional and Statutory Distinctions

In addition to the distinctions outlined in case law, general property taxes are subject to numerous constitutional and statutory restrictions that special assessments are not subject to. This includes constitutional requirements for uniformity in assessment and equalization, rate and base limitations, and the statutory processes for appealing taxes and assessments. Special assessments are not subject to the constitutional and statutory property tax limitations on growth, such as the Headlee Amendment and Proposal A.

Special assessments are levied on all real property, including property normally exempt from the general property tax (churches, hospitals, not-for-profits, etc.), unless that property is exempted in the authorizing statute for the special assessment. Special assessments are levied only on real property and are not levied on personal property. The exemption of personal property from special assessment levies serves to shift part of the financial burden of taxes and assessments on property from businesses to homeowners and other real estate owners because residential personal property has long been exempt from taxation. This was a critical distinction prior to the personal property tax reforms in 2012; these reforms have tempered this shift, but many businesses are still paying taxes on personal property.

In their purest forms, property taxes support general government services while special assessments are essentially a financing tool used to support physical improvements to infrastructure. General property taxes are levied unit-wide while traditional special assessments are levied only within a special assessment

district comprised of the land and premises especially benefitted. General property taxes are levied on a modified acquisition value (taxable value) until there is a transfer in ownership; at which point, they are levied on state equalized value (SEV—50 percent of true cash value). Traditional assessments are generally apportioned on the basis of front footage or land value or area. Most property taxes require voter approval while traditional special assessments do not require voter approval; however, they do require public notice. Finally, general property taxes have a more transparent and easy to understand appeals process while the creation of special assessment districts are presumed valid and can only be appealed at certain times during the process.

Practically, the legal distinctions between property taxes and special assessments are often blurred by ad valorem special assessments, which are levied more similarly to taxes even though they are not subject to the same restrictions as general taxes (see **Table A**).

Table A
Differences between Property Taxes and Special Assessments

	General Property Taxes	Ad Valorem Special Assessments	Traditional Special Assessments
Size of District	Unit-wide	Unit-wide	Land and premises specially benefitted
Basis of Levy	Taxable value (modified acquisition value)	Taxable value; sometimes SEV (50% of cash value)	Market value increase in property; costs generally apportioned by front footage or land area/value
Voter Approval Required?	Yes, unless authorized by existing law	Optional with governing board or demanded by petition	No, unless demanded by petition
Property Included in Levy	Real and tangible personal property	Land and premises; sometimes exempts property exempted from general property tax	Land and premises; does not exempt property exempted from general property tax
Rate Limited?	Yes	No	No
Subject to Headlee Rollbacks?	Yes	No	Headlee rollback provisions are not applicable
Proceeds Used For	Basic municipal services or infrastructure improvements	Basic municipal services or infrastructure improvements	Finance physical improvements to infrastructure
Appeals	Appeals process transparent and easy to follow	Appeals process difficult; presumed valid	Appeals process difficult; presumed valid

special assessments are located in 45 counties; 30 counties do not have any local units levying an ad valorem special assessment.

Possible reasons for the increased use of ad valorem special assessments over the years include the fact that Act 33 assessments for public safety purposes have become even easier to levy due to further changes in state law. Also, the fact that Act 33 assessments, as well as those levied under other state laws, are not

subject to Headlee rollbacks creates an incentive to levy them because they have greater long-term growth potential due to the fact that their rates will not be rolled back. Additionally, economic struggles throughout the 2000s have created fiscal challenges for local governments. Decreases in state revenue sharing coupled with declining property tax revenues for many locals have contributed to a municipal finance crisis and helps explain why more local units might turn to ad valorem special assessments to fund services.

Recommendations

While the use of ad valorem special assessments to finance local government services is technically legal, it undermines the legal and practical distinctions between taxes and special assessments. It also can be considered inherently unfair to allow a limited number of local governments to fund general government services through ad valorem special assessments rather than general taxes, which are subject to constitutional and statutory restrictions on their levy. With ad valorem special assessments, the linkage between property value and benefits is tenuous at best and the differences between the two types of levies can lead to taxpayer confusion. Despite this, state policymakers have continued to open the door to allow for the use of ad valorem special assessments.

The Research Council offers three recommendations to address the use of unit-wide ad valorem special assessments:

- 1) State policymakers should eliminate statutory authorizations for unit-wide ad valorem special assessments. Special assessments should be levied only for recuperating costs that increase the market value for specific properties; they should not be unit-

wide and they should not support general government services.

- 2) Local governments using ad valorem special assessments may establish emergency service authorities to provide police and fire services. Establishment would require local authorization to levy a property tax to support public safety services. The tax rate would be subject to the millage limitation established by the voters. This would require the local government to join with another local government to create a multi-jurisdictional authority.

- 3) State policymakers should rethink municipal finance and governance, including authorizing new local-option taxes in state law and requiring a more regional focus on new taxes and local government service delivery. If the property tax is not sufficient to meet local own-source revenue needs, then local governments need more revenue options, which could include sales or excise, income, transportation, "sin", or other specific taxes. Additionally, the state and local governments should take a serious look at the municipal finance and service delivery system, which has not changed much since the 1800s despite advances in transportation, communication, and technology

Conclusion

The problem addressed in this paper is not with all special assessments, but with the hybrid ad valorem special assessment, which is levied like a tax, but regulated like a special assessment. Traditional special assessments provide a financing option for needed capital improvements within a local unit of government. General government services that are provided unit-

wide should be funded from tax revenues. Ad valorem special assessments have become a Band-Aid for local governments that allows state and local officials to avoid the hard issue of the broken municipal finance system. Addressing this issue will require state and local officials to rethink how local government is structured, how it is funded, and how services are provided.

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Introduction

Michigan local governments rely heavily on the taxation of property to fund services, infrastructure, and capital improvements. The ad valorem^a property tax is the tax that most people are familiar with; it is used by all types of local governments to fund various services. In addition to this tax, local governments apportion special assessments on parcels of real property within limited geographic areas of municipalities that benefit from capital improvements (e.g., street paving or lighting, water or sewer connections, etc.). In recent years, local governments have increasingly turned to a revenue-raising device called the ad valorem special assessment, a type of special assessment apportioned on the value of property similar to the ad valorem property tax.

Clear legal distinctions exist between property taxes and special assessments, but these become less clear with ad valorem special assessments, which are treated like special assessments under some state laws and like taxes under others. To the general public, they can be indistinguishable from an ad valorem property tax as they are often spread on the same tax roll. The Citizens Research Council has documented and questioned the use of ad valorem special assessments in two previous reports^b; since then, their use

has only grown. In fact, in many townships, the ad valorem special assessment levy is higher than the general property tax levy.

The public policy problem is that ad valorem special assessments blur the lines between assessments and taxes and let some local units fund general government services with an “assessment” that is not subject to the same restrictions as general property taxes. This problem is not with all special assessments, only the hybrid ad valorem special assessment, which is levied like a tax, but regulated like a special assessment. Essentially, ad valorem special assessments provide some local units with additional taxing authority that is not available to all local governments; furthermore, this taxing authority is not subject to the tax limitations in state law. It is unfair to other local governments that are supporting the same general services through property taxes. It is unfair to taxpayers as their use circumvents tax limitations under state law and distorts the purpose of the special assessment.

of Special Assessments in Michigan,” October 1983 (<https://crcmich.org/PUBLICAT/1980s/1983/avsa.pdf>).

Citizens Research Council of Michigan. Report 319: “Ad Valorem Special Assessments in Michigan,” January 1997 (<https://crcmich.org/PUBLICAT/1990s/1997/rpt319.pdf>).

a Ad valorem comes from Latin and means “to the value.”

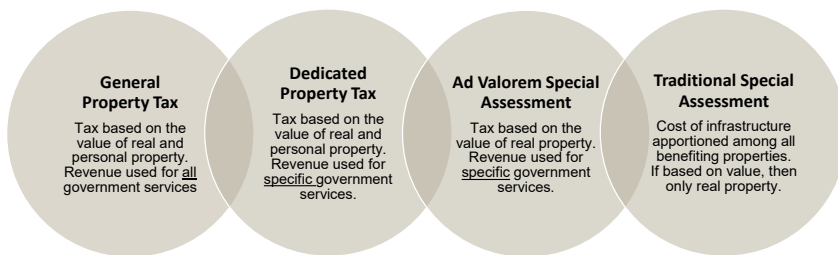
b Citizens Research Council of Michigan. “The Misuse and Abuse

Local governments have increasingly turned to a revenue-raising device called the ad valorem special assessment.

Property Taxation

Taxes and assessments on land and property in Michigan generally fall into one of four categories.^c **Figure 1** shows that these taxes and assessments can overlap and range from general ad valorem property taxes (far left) to traditional special assessments (far right). Both general property taxes and traditional special assessments have a proper role in the financing of government services and projects.

Figure 1
Four Types of Property Taxation



All types of local governments levy a property tax for general operations; tax rates are levied on the value of real (land and buildings) and personal^d (equipment, furniture, certain fixtures) property and is used to fund general government services provided to each community (residents, businesses, and visitors). For many local governments, property taxes comprise their only own-source revenue option for general operations; local governments also rely on unrestricted state revenue sharing, which has been declining since Michigan's single state recession of the early 2000s. Some cities levy a local income tax to finance services. Property taxes are limited by the state Constitution and law.

Traditional special assessments are used to finance the construction and maintenance of public improvements and have existed in Michigan since territorial times. They originate from colonial English times having been used as far back as the 13th century.¹ The concept underlying the original use of special assessments is

simple: the general revenue of a governmental unit should not be used to finance improvements that do not benefit the entire community (i.e., the construction and maintenance of local, specialized public improvements). In these instances, a charge is imposed for the payment of the costs of public improvements that confer a corresponding and special benefit on the property assessed.

Special assessments are based on the concept of a “need” and a “benefit” that does not extend to the general population of the local unit. As originally conceived, public improvements financed through special assessments consisted exclusively of capital asset construction such as streets and street lighting, sewers, drains, and sidewalks. Most legislation recognized that public improvements may provide a general benefit to the community while also confer-

ring a special benefit on certain property; therefore, state legislation permits costs to be allocated between a benefit district (or special assessment district) and the community at large. The special benefit required to levy a special assessment has been defined as an increase in a property's market value as a result of the public improvement.³ The costs of the improvement are then apportioned based upon front footage, land value, or some method that can be reasonably connected to the benefit received.

In the middle are two categories of taxes and assessments that start to blend the differences between property taxes and special assessments. First, dedicated millages fund particular services and are authorized in state law to allow counties, cities, villages, townships, and special authorities to levy millages for specific purposes (public safety, parks, senior services, etc.).

Second, ad valorem special assessments are legally considered special assessments, but are typically levied throughout an entire jurisdiction and are based on property value, in a similar manner to property taxes. They may be levied to support general government services (e.g., police and fire protection, garbage collection, parks), but they circumvent the constitutional and statutory restrictions placed on general property

^c The types of property taxes discussed here do not include debt millages, which are unlimited and do not count against millage limitations.

^d Personal property tax reforms passed in 2012 will phase out the personal property tax on most industrial and certain commercial property over a 10-year period from 2014 to 2023.

How to Establish a Special Assessment District

In order to establish a special assessment, certain steps must be followed:

- 1) Determine the district: A special assessment district must be created through an initiative of the local legislative body or through citizen petitions submitted to the governing body. The steps necessary to establish a special assessment district include preparing and filing paperwork (plans and maps of district), arranging public meetings and providing notice of meetings, providing public hearings, and adopting a resolution in support of creating the district.
- 2) Define the base: A special assessment district is made up of the property (lands and premises only) specially benefiting from public improvement. Because capital improvements may affect properties beyond those that about the project, great care must be used in defining the base.
- 3) Determine the rate: The assessments are usually apportioned on the basis of property front footage,ⁱ land area, or value; the measure selected is supposed to bear some relationship to the benefit received from the public improvement. The rate usually is determined by dividing the cost of a public improvement by the base upon which costs will be apportioned.
- 4) Determine the duration: With special assessments, local units of government are granted unlimited open-ended revenue-raising authority to finance most public improvements with the duration lasting until the improvement is paid for.
- 5) Spread assessment on the tax roll: Special assessments are spread and become due and collected at the same time as property taxes are assessed, levied, and collected.

ⁱ Property front footage refers to the full length of the property line on the front side of the property.

taxes. They are levied only on real property and are not levied on personal property. The exemption of personal property from special assessment levies serves to shift part of the financial burden of taxes and assessments on property from businesses to homeowners and other real estate owners because residential personal property has long been exempt from taxation. This was a critical distinction prior to the personal property tax reforms in 2012.⁴ These reforms have tempered the shift of financial burden from businesses to homeowners, but many businesses are still paying taxes on personal property.⁵

The Problem: Taxes Being Levied as Assessments

Ad valorem special assessments were authorized in state law beginning in the 1950s.^e With time, they have taken on the appearance and function of general property taxes while continuing to be levied under the law as special assessments. Key legal distinctions exist between property taxes and traditional special assessments, but ad valorem special assessments blur these distinctions and have become almost indistinguishable from general property taxes to the public. Despite

these questionable aspects of ad valorem special assessments, they have been upheld by the courts.⁶

This is not a new problem. In 1983, 87 ad valorem special assessment districts were identified generating at least \$18.2 million in revenue (possibly more due to poor reporting)⁷; in 1995, the total was 147 with at least \$55.5 million in revenue⁸; by 2018, the total reached 246 district levies by 192 local governments (11 percent of the 1,773 cities, villages, and townships in Michigan) with \$195.2 million in revenue.

For the most part, previous recommendations made by the Research Council to address the growing use of unit-wide ad valorem special assessments have been ignored by local governments and policymakers. Local governments, some of whom are facing real fiscal challenges, are levying ad valorem special assessments instead of general property taxes because state law limits the general property tax but has allowed them to broaden the purposes for which special assessments can be levied beyond the construction and maintenance of public improvements to include basic governmental services. This legislative action has had the effect of eroding the connection between special assessments and public improvements which, in turn, undermines the distinction between special assessments and general property taxes.

^e For an inventory of state laws authorizing special assessments, see Report 319: “Ad Valorem Special Assessments in Michigan,” <https://crcmich.org/PUBLICAT/1990s/1997/rpt319.pdf>.

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This hybrid form of special assessment meets immediate funding needs rather than addressing the hard issue: the municipal finance system has major problems in terms of its general structure and the revenue options available to locals. Many local governments seek op-

tions beyond the property tax and revenue sharing to meet taxpayers' demands for services; however, ad valorem special assessments are not the solution to the problem.

Legal Distinctions between Property Taxes and Special Assessments

While the expansion of the purposes for which special assessments may be levied as well as the base upon which they may be levied is politically expedient, property taxes and special assessments are not the same and should not be treated as such. A number of court cases shed light on the legal distinctions between property taxes and special assessments.

In the *City of Lansing v Jenison (1918)*, the Michigan Supreme Court noted

“...it is the settled law, that special assessments may be sustained upon the theory that property assessed receives some special benefit from the improvement differing from the benefit the general public enjoys. This is the foundation of the right to levy special assessments and without such foundation the right must fail.”⁹

In *Blake v Metropolitan Chain Stores (1929)*^f, the Michigan Supreme Court provided some standards to distinguish the differences between special assessments and taxes:

- 1) A special assessment can be levied only on land.

- 2) A special assessment cannot be made a personal liability of the person assessed.
- 3) A special assessment is based wholly on benefits.
- 4) A special assessment is exceptional as to both time and locality.

The Court further specified that

“The imposition of a charge on all property, real and personal, in a prescribed area, is a tax and not a special assessment, although the purpose is to make a local improvement on a street or highway. A charge imposed only on property owners benefited is a special assessment rather than a tax notwithstanding the statute calls it a tax.”¹⁰

In *Bolt v City of Lansing (1998)*, the Court defined a tax as follows:

- 1) It is levied to raise revenue for the general operation of government.
- 2) It is levied to benefit the general public.
- 3) It is compulsory in nature.¹¹

In *Kadzban v City of Grandville (1998)*, the Court stated that a special assessment is not a tax and defined it as “a specific levy designed to recover the costs of improvements that confer local and peculiar benefits upon property within a defined area.”¹² These legal distinctions between traditional special assessments and taxes are found repeatedly in case law.¹³

A 1980 attorney general opinion concerning the establishment and financing of a municipal emergency ambulance system through an ad valorem special assessment as authorized by the Public Health Code attempted to clarify when ad valorem special assessments should be treated the same as ad valorem property taxes. The opinion concluded that because a municipality's ambulance service must benefit all its

^f The property tax base has experienced significant changes since this 1929 ruling. In 1939, the state exempted intangible property (e.g. stocks, bonds) from the property tax base. Inventory property was exempted with adoption of the Single Business Tax in 1975. Statutory reforms enacted in 2012 and amended in 2014 brought significant personal property tax relief to Michigan businesses. Those reforms exempt total personal property, regardless of its designation as commercial or industrial, valued at \$80,000 or less (i.e., \$40,000 or less of taxable value) in a particular tax collecting unit (e.g. township, county, school district). Beyond the exemption for small personal property holders, liability for personal property taxes for businesses that exceed this threshold is phased out for all industrial personal property as well as for certain commercial personal property that is used predominantly in industrial processing or in “direct integrated support.”

residents and the property specially assessed does not receive a special benefit that is not provided to the general public, the imposition of an assessment levied against all real property within a local government may not be characterized as a special assessment. Special assessments are levied on property specifically benefitting from a local improvement; ambulance service benefits persons, not property. The attorney general at the time concluded that the assessment is in the nature of a general ad valorem property tax and is, therefore, subject to constitutional and statutory general ad valorem property tax restrictions.¹⁴

This opinion attempted to distinguish between a general property tax and a special assessment, but it raised a serious question about the uniformity provisions of the Michigan Constitution. The Constitution requires the legislature to provide for the uniform taxation of real and tangible personal property; however, since special assessments are levied only on land and premises (by statute), the attorney general opinion implied that a general ad valorem property tax to finance ambulance services could be levied only on real property. For this assessment to truly be considered a general property tax (and be in compliance with the Constitution), it must be imposed on both real and personal property. Therefore, the characteristics that distinguish ad valorem special assessments from general property taxes remain unclear despite this opinion.

Conflicting Court Rulings

Ad valorem special assessments have been upheld in courts even though they do not conform to the legal definitions of special assessments as distinct from property taxes discussed above.

In *St. Joseph Township v Municipal Finance Commission (1958)*, the Michigan Supreme Court upheld a unit-wide special assessment district created pursuant to Public Act (PA) 33 of 1951 (commonly referred to as Act 33).¹⁵ The court upheld the unit-wide district based on the fact that the legislature had repealed the limitation in state law that prohibited unit-wide special assessment districts when it enacted Act 33. The court also reasoned that the special assessment should not be treated as a property tax, even though it met a good portion of the legal definition of a tax, because it was not levied on personal property; the court's conclusion was that to be considered a tax it must be levied on all property, real and personal, in a prescribed area.

In *Niles Township v Berrien County Board of Commissioners (2004)*, Niles Township argued that fire protection should not be considered a general governmental purpose because it is not mandatory that the township provide it.¹⁶ The Court of Appeals ultimately sided with Niles Township that it was proper under state law for the township to levy an ad valorem special assessment to fund fire protection services. The court in this case based its decision off of previous cases and its interpretation of state law and held that "it is difficult to conceive a fairer basis for determination of benefit from the creation of a fire department than one based upon value."

Both of these rulings ignore key aspects of previous case law providing the distinctions between general property taxes and special assessments. They seem to defer to the legislative intent in passing state laws allowing for ad valorem special assessments rather than to analyze whether the levies in question met the requirements in case law to be considered assessments rather than taxes.

Ad valorem special assessments have been upheld in the courts even though they do not conform to the legal definitions of special assessments as distinct from property taxes.

Why These Distinctions Matter

Broadly speaking, both property taxes and traditional special assessments constitute a charge upon land or property imposed by a local unit of government, but that is largely the extent of their similarities. Key distinctions between property taxes and special assessments exist in law and practice.

Constitutional and Statutory Restrictions on Property Taxes

General ad valorem property taxes are subject to numerous constitutional and statutory restrictions; special assessments are not subject to these.

Uniformity, Assessment, and Equalization

The Michigan Constitution imposes three requirements on the state legislature as to how property taxes are to be assessed and levied on real and tangible personal property:

- 1) Property must be levied uniformly across various property classifications.
- 2) Property must be uniformly assessed at no more than 50 percent of true cash value (referred to as state equalized value (SEV)).
- 3) The legislature must provide a system for the equalization of assessments.¹⁷ The purpose of equalization is to correct for systematic under assessment or over assessment within assessing jurisdictions (i.e., cities and townships).

Proposal A of 1994 authorized a limited exception to the uniformity principle: for school operating purposes, homestead (generally thought of as a person's primary residence) and non-homestead property (generally second homes and business property) can be taxed at different rates. Proposal A instituted a modified acquisition value method for general property taxation and created taxable value (not SEV) as the base upon which taxes are levied. Proposal A also limited annual increases in taxable values on a parcel by parcel basis to the lesser of five percent or inflation, excluding new construction.¹⁸ The longstanding re-

quirement that property be assessed at 50 percent of cash value remains in effect; however, property is taxed on taxable value until a change in ownership when it returns to SEV.

Property Tax Limitations

Regarding property taxes, state law stipulates:

- Home rule cities and villages are limited to 20 mills⁹ for general operations, but they may set lower millage rates in their charters.¹⁹ Charter cities may levy additional mills for garbage services (up to three mills), library services (one mill), services for persons 60 years of age or older (one mill), and funding pension plans for city police and fire departments (no set limit).²⁰
- General law villages are limited to 12.5 mills for general purposes; this may be increased to 20 mills by a three-fifths vote of the electorate. They may also levy up to five mills for general highway funds.²¹
 - Charter townships may levy up to five mills without voter approval; that may be increased to 10 mills for 20 years with voter approval.²²
- General law counties and townships are collectively limited to 15 mills for operating purposes by the state Constitution; this limit includes intermediate school districts' (ISDs) levies and the state education tax of six mills. County voters may adopt a separate, fixed allocation up to 18 mills. Additionally, voters may increase these limitations to a maximum of 50 mills for up to 20 years; the 50 mill limit includes mills levied by counties, townships, ISDs, local school districts, and the state.²³ State law does not include any defined limit for general law counties or townships beyond this.

The constitutional tax limits placed on general law counties and townships do not apply to special as-

Key distinctions between property taxes and special assessments exist in law and practice.

⁹ A mill is a term of taxation. It means \$1 of taxation for every \$1,000 of value.

assessments levied by townships. In *Graham v City of Saginaw (1947)*, the Michigan Supreme Court held that special assessments were not subject to the 15 mill limit set in the Constitution.²⁴ A later court criticized, but did not overrule, the precedent set in *Graham*. In *Lockwood v Commissioner of Revenue (1959)*, the Court questioned the practical differences between general taxes and ad valorem special assessments, stating:

“Now it has been clear to us that special assessments are ‘taxes’ and that ordinary people by common understanding of their Constitution had an amendment which protected them from additional property taxation, no matter the brand name which any legislative act or judicial decision might stamp on the particular impost or levy against such property. One’s home can be lost just as quickly and finally for nonpayment of ‘special’ assessments as for nonpayment of ‘general’ taxes.”²⁵

Regardless of this court statement, ad valorem special assessments are still not subject to these limitations (local governments that have gone above their tax limitations when property taxes and special assessments are combined are listed later in the report). Over the years, voters and policymakers have approved additional tax limitations related to the general ad valorem property tax.

Headlee Rollbacks. In 1978, voters adopted a tax limitation that amended and added various provisions to Article IX of the state Constitution. Among other things, the Headlee Amendment added a section that provides that if the existing property tax base of a unit of local government increases faster than the rate of inflation, then the maximum authorized property tax rate must be reduced or rolled back by a commensurate amount.²⁶ The purpose of this provision is to limit annual increases in local government revenues resulting from property tax base growth to no more than inflation. Any increase in revenues beyond inflation requires a vote of the people.

In 1979, the attorney general issued an opinion that ad valorem special assessments are not subject to provisions of the Headlee Amendment.²⁷ The fact that

these special assessments are not subject to Headlee rollbacks can create confusion for local officials, but also may incentivize the use of ad valorem special assessments because they allow for more revenue generation long-term.

Taxable Value Limitation. The taxable value limitation instituted by Proposal A of 1994 applies only to property taxes, not ad valorem special assessments. Whether this distinction was understood by voters when they passed Proposal A is not clear. A 1996 attorney general opinion concluded that the taxable value limitation only applies to general ad valorem property taxes and that ad valorem special assessments imposed for Act 33 must be levied on SEV and not on taxable value.²⁸ Since this opinion, many statutes authorizing ad valorem special assessments have been amended to specify that they must be levied on taxable value rather than SEV.

Statutory Provisions. Several statutory provisions govern property tax law, but do not apply to ad valorem special assessments, including “Truth in Taxation” and “Truth in Assessment” laws.²⁹ These statutes were passed to clarify responsibility for property tax increases. The state government has delegated responsibility for administering the property tax to local legislative bodies, which are responsible for assessing property and determining, within voter-authorized limits, property tax millage rates.

PA 5 of 1982 amended the General Property Tax Act to require any taxing jurisdiction which levied more than one mill in the prior year to annually roll back its property tax rate to offset any increases in the value of existing property. This is similar to the Headlee rollback provision. Headlee rollbacks reduce the maximum authorized rate and are triggered by property value increases in excess of inflation. “Truth in Taxation” rollbacks reduce the rate actually levied and are triggered by any increase in existing property tax values (excluding new construction and improvements). In effect, the levy on existing property cannot exceed the total dollar levy of the preceding year. The local governing body may increase the levy beyond the prior year amount by pub-

The taxable value limitation instituted by Proposal A of 1994 applies only to property taxes, not ad valorem special assessments.

A DISTINCTION WITHOUT A DIFFERENCE

lishing a public notice and approving the increase after a public hearing. The purpose of this law is to inform taxpayers that annual property tax increases are not solely a result of increases in property values but also a result of the tax rate imposed by the local government.

PA 213 of 1981 amended the General Property Tax Act to require any city or township, in which the SEV exceeds the locally-assessed value, to reduce its maximum authorized rate so that the levy on SEV does not exceed that which would have been collected had the rate been applied to locally-assessed value. PA 213 was enacted to prevent assessing jurisdictions (i.e., cities and townships) from increasing property tax levies solely as a result of the equalization process.

Appeals Processes

Ad valorem property taxes have an appeals process that is easier to understand and more transparent than the appeals process for special assessments. Property taxes may be appealed annually based on 1) the value of property, 2) constitutional limitations with regard to millage rates, or 3) constitutional mandates requiring uniformity, equity, and equalization of assessments. These challenges can be made before a local board of review and are relatively inexpensive and simple to pursue for taxpayers.

Special assessments, including ad valorem special assessments, fall under a different appeals process,

which is more difficult and costly for citizens to engage in because they enjoy a presumption of validity under Michigan law. Citizens have three windows of opportunity to appeal special assessments: 1) after their formation, 2) when district is modified, and 3) after a special assessment roll is confirmed. Once the initial appeal period is past, the presumption of validity begins and they become much more difficult to appeal. It is important to note that the presumption of validity applies to the special assessment formation process; the issue of how much a property's value has increased because of a public improvement is not presumed to be valid.³⁰

This is not the case in all states. In California, special assessments used to have a presumption of validity like in Michigan, but Proposition 218 of 1996 brought about a number of changes to the ways in which local governments could raise revenue. In addition to requiring voter approval for new or increased taxes, the proposal mandated stricter rules on special assessments. Namely, it required local agencies to determine the specific benefit a project would have on specific properties; a general enhancement to property values no longer is enough of a benefit to allow for a special assessment.³¹ Proposition 218 eliminated the presumption of validity and placed the burden of proof on the governmental unit creating the special assessment district to demonstrate that assessed property will receive special benefits.³²

Ad valorem property taxes have an appeals process that is easier to understand and more transparent than the appeals process for special assessments.

Skirting Tax Limitations: A Tale of Property and Sales Taxes

The property tax is heavily restricted by the state Constitution and statutory law; a similarly restricted tax is the general sales tax.ⁱ The state Constitution limits the general sales tax to a rate of six percent and restricts the disposition of sales tax revenues (e.g., most go to support the School Aid Fund and state revenue sharing).⁴² Due to these limitations, it would be difficult for the state legislature to expand the state sales tax rate or allow for a local-option sales tax without a constitutional amendment, which would require a vote of the people. While the sales tax does not have the exact same limits and restrictions as the property tax, they both provide examples of taxes that are heavily restricted in use and disposition by state law.

If the state legislature, in an effort to provide more funding options for local governments, attempted to evade the limitations and restrictions on the sales tax by creating a similar, but differently named tax on purchases (say, for example, a purchases tax), citizens would be upset by this evasive obfuscation of tax policy and rightly so. People would accuse the state of circumventing the law to illegally expand the sales tax, and they would be right. Courts would likely look past the legerdemain in titling the tax and determine that the new tax violates the state Constitution.

However, it is similar to what we are doing with ad valorem special assessments. By calling them assessments rather than taxes, state policymakers and local governments effectively sidestep the limitations and restrictions in state law relating to the property tax. Calling them “special assessments” is like calling a new tax on sales a “purchasing tax” to avoid the limitations of the sales tax. It should be illegal.

- i The state legislature has authorized various selective sales or excise taxes (hotel accommodations, cigarette, etc.) that have different tax bases and fall outside of the general sales tax limitations, see Citizens Research Council of Michigan, Report 305: “Issues Relative to the Constitutionality of Local Sales Taxation in Michigan (https://crcmich.org/constitutionality_local_sales_tax-1992/) for more information.

Ad Valorem Special Assessments in Michigan

Practically, the legal distinctions between property taxes and special assessments are often blurred by ad valorem special assessments, which are levied more similarly to taxes even though they are not subject to the same restrictions as general taxes (see **Table 1**, page 10). Although the term special assessment infers a benefit uniquely provided to a specific population of properties, unit-wide special assessments treat all properties equally. In fact, visitors to the communities with unit-wide, ad valorem special assessments are equally able to enjoy the benefits paid for with these assessments. The special benefit principle, which courts have repeatedly held is the foundation on which rests the right to levy special assessments, is reduced to a practical illusion. Furthermore, the ad valorem value of property bears no consistent relationship to the benefits received from basic governmental services; nevertheless, that is the inference that must be drawn to maintain the illusion that these ad valorem special assessments are levied in relationship to benefit.³³

Despite the clear legal distinctions between ad valorem property taxes and traditional special assessments, ad valorem special assessments distort some of these

distinctions and can create reporting and other administrative difficulties for the state and local governments. The fact that ad valorem special assessments are collected at the same time as property taxes and are spread on the same tax roll also creates confusion for residents and taxpayers as the differences between the taxes and assessments they are paying on their property are not clear.

1950s to Today: Growing Use of Ad Valorem Special Assessments

Issues surrounding the use and treatment of ad valorem special assessments have been a policy concern dating back to the 1980s with little resolution. In the meantime, their use has only grown. In 2018, there were 246 ad valorem special assessment districts with \$195.2 million in revenue. State laws enacted in recent years have served to clarify how they are levied (e.g., specifying that they be levied on taxable value), but not to restrict their use. In fact, some have advocated for expanding the use of ad valorem special assessments to additional local governments that are not currently allowed to levy them. Despite their seeming popularity

Table 1
Differences between Property Taxes and Special Assessments

	General Property Taxes	Ad Valorem Special Assessments	Traditional Special Assessments
Size of District	Unit-wide	Unit-wide	Land and premises specially benefitted
Basis of Levy	Taxable value (modified acquisition value)	Taxable value; sometimes SEV (50% of cash value)	Market value increase in property; costs generally apportioned by front footage or land area/value
Voter Approval Required?	Yes, unless authorized by existing law	Optional with governing board or demanded by petition	No, unless demanded by petition
Property Included in Levy	Real and tangible personal property	Land and premises; sometimes exempts property exempted from general property tax	Land and premises; does not exempt property exempted from general property tax
Rate Limited?	Yes	No	No
Subject to Headlee Rollbacks?	Yes	No	Headlee rollback provisions are not applicable
Proceeds Used For	Basic municipal services or infrastructure improvements	Basic municipal services or infrastructure improvements	Finance physical improvements to infrastructure
Appeals	Appeals process transparent and easy to follow	Appeals process difficult; presumed valid	Appeals process difficult; presumed valid

among local units that employ this financing strategy, ad valorem special assessments should not be the answer to local governments’ fiscal challenges.

Who is Using Ad Valorem Special Assessments?

Police, fire, and public safety equipment and services are the most popular purposes for which ad valorem special assessments are levied by far (see **Table 2**, page 11). Of the 246 different special assessment districts in 2018, 90 percent were created to fund some type of public safety service, most, if not all, authorized under Act 33. Additionally, almost all of the revenue from ad valorem special assessments (97 percent) supports some type of public safety purpose.

Act 33 Assessments for Public Safety Purposes. Act 33 allows townships, villages, and qualified cities to levy special assessments for police services; fire services; police and fire services; vehicles, apparatus, equipment, and housing; and ambulance or non-transport pre-hospital life support services.³⁴ Qualified cities include cities with a population of less than 15,000 and a city with a population between 15,000 and 70,000 that is located in a county with a population between 200,000 and 235,000 (i.e., the City of Saginaw). The act specifies separate 10-mill per year limitations each for police and fire equipment and no millage limit for operations. A special assessment district created un-

der this act may be unit-wide or a portion of the local government. The assessment is due and collected at the same time as other township taxes. It may be submitted to electors for approval, but does not require voter approval to levy.

In the case of Act 33 assessments, some of the legal distinctions that remained between ad valorem special assessments and ad valorem property taxes have been removed by statute, thereby eliminating distinguishing characteristics between these special assessments and a general property tax. Act 33 assessments must be levied on taxable value and must exempt property that is exempted from the general property tax. Act 33 essentially allows some, but not all, local governments to levy a tax to support public safety services, but treat it as an assessment under state law.

Other Types of Ad Valorem Special Assessments. Other general government services currently funded through ad valorem special assessments include garbage service, libraries, and parks and recreation. The remaining types of special assessment districts (i.e., street lights, roads, drains, and sidewalks) could possibly meet the special benefit requirement if they are only applied to the specific areas within a community that are benefiting from special improvements or services, but not if they are being levied unit-wide.

Table 2
Types of Ad Valorem Special Districts, 2018

	Number of Districts	Percent of Total	Revenue from Districts	Percent of Total
Fire	158	64.2%	\$88,249,442	45.2%
Police/Public Safety	37	15.0%	\$80,398,607	41.4%
Ambulance/ALS	12	4.9%	\$4,918,923	2.5%
Fire/Police/EMS combined	11	4.5%	\$14,732,542	7.6%
Street Lights	8	3.3%	\$1,582,929	0.8%
Roads	6	2.4%	\$590,110	0.3%
Drains	5	2.0%	\$2,532,072	1.0%
Disposal/Garbage	2	0.8%	\$746,727	0.4%
EMS	2	0.8%	\$555,391	0.3%
Fire/Ambulance	1	0.4%	\$648,063	0.3%
Library	1	0.4%	\$30,068	0.0%
Other	1	0.4%	\$127,018	0.1%
Parks/Recreation	1	0.4%	\$33,247	0.0%
Sidewalk	1	0.4%	\$11,547	0.0%
Total	246		\$195,156,686	

Source: Michigan Department of Treasury

Types of Local Governments. Of the ad valorem special assessments statewide, almost 84 percent are levied by townships with much smaller percentages being levied by cities and villages (see **Chart 1**). Of 192 different units (note: this number is lower than total special assessment districts because some units levy multiple assessments), 83 (43 percent) levy more mills in special assessments than in general taxes.^h Of these local units, all but two (Ecorse and Saginaw) are townships. One government, Mills Township in Midland County, levies a 2.25 mill special assessment for fire services and a 2.25 mill property tax for operating purposes.

Almost half of all special assessments (46 percent) levied in 2018 were by local governments (small cities or townships) in eight counties across the state, ranging from rural counties to the populous counties of Southeast Michigan (see **Map 1**, page 12). The remaining 54 percent of local governments levying unit-wide special assessments are located in 45 counties; 30 counties

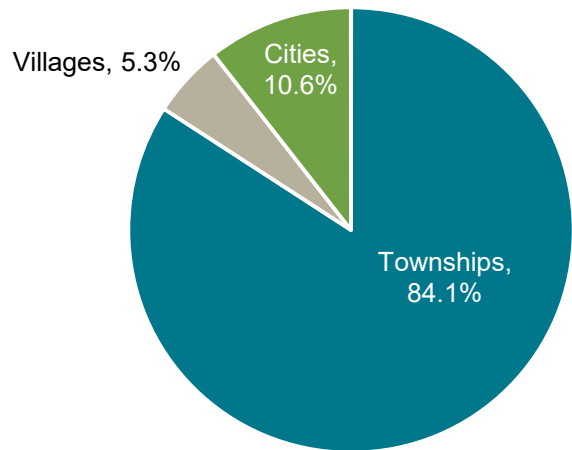
^h General taxes levied excludes levies for debt millages.

do not have any local units levying an ad valorem special assessment. The average ad valorem special assessment rate in 2018 was 2.2257 mills.

Ad valorem special assessments are used extensively in Southeast Michigan. Wayne County has seven local units levying 13 ad valorem special assessments; Oakland County has nine local units levying 15 assessments; and Macomb County has 11 local units levying 16 assessments.

It is not only local governments in densely populated counties that are taking advantage of ad valorem special assessments. In Van Buren County in Southwest Michigan (population density of 69 persons per square mile), 15 local units are levying 20 ad valorem special assessments. The majority of levying units are townships, although two cities and two villages are each levying special assessments. All the assessments support fire and/or other public safety services with the exception of one that is used to fund roads.

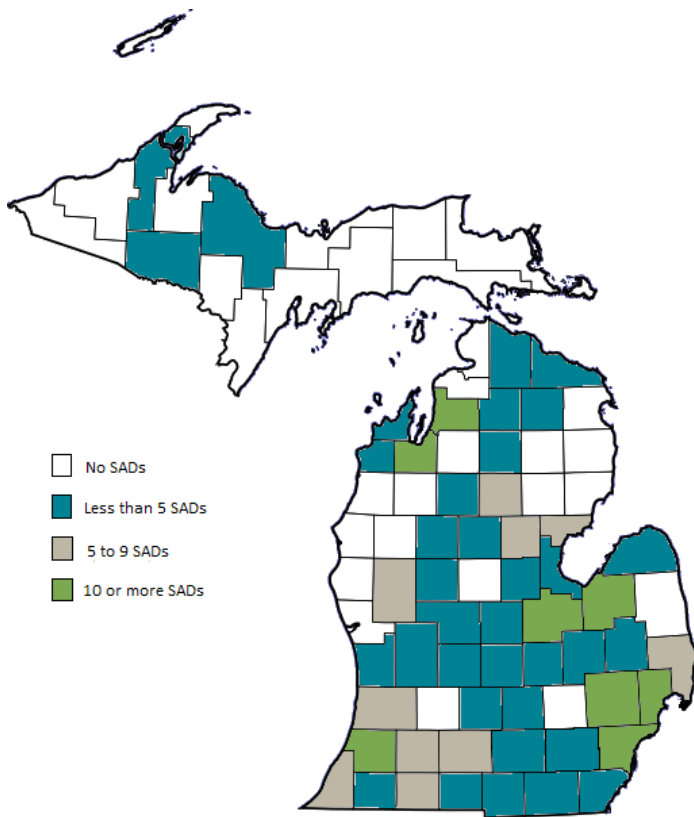
Chart 1
Types of Local Units Levying Ad Valorem Special Assessments



Source: Michigan Department of Treasury

Map 1

Number of Ad Valorem Special Assessment Districts per County in 2018



Source: Michigan Department of Treasury

While the cities that are levying ad valorem special assessments are fairly small (per state authorizing legislation), some of the charter townships are quite large and operate like decent size cities (e.g., Clinton Charter Township in Macomb with a population of almost 100,000; Waterford Charter Township in Oakland has over 70,000 people; and Canton Charter Township in Wayne with over 90,000 people). In many of the townships levying ad valorem special assessments, their total special assessment millage rate is higher than their general property tax millage rate (**Table 3** provides examples of some of these townships, but not an exhaustive list).

With respect to cities, most have higher general operating millage rates but that does not preclude them from having high special assessment rates (see **Table 4**, page 13). Ecorse and Saginaw are the only cities with a higher assessment rate than tax rate, but some cities levy fairly high property tax millages at the same time that they levy substantial special assessments.

Table 5 (see page 13) highlights the cities and townships that appear to have property taxes close to their rate limit and may have adopted ad valorem special assessments in order to secure more taxing authority. Tax limitations can vary depending on state law or city or village charter, but **Table 5** includes cities that have a combined special assessment and property tax millage

Table 3

Select Townships with High Special Assessment Millage Rates, 2018

Township	County	Special Assessment Millage Rate	Special Assessment Purpose	Property Tax Millage Rate
Royal Oak Township	Oakland	19.7500	Garbage, Fire, Parks, and Street Lights	13.2102
Carrollton Township	Saginaw	11.9500	Public Safety	0.9134
Canton Charter Township	Wayne	9.5340	Public Safety	2.8160
Clinton Charter Township	Macomb	9.0000	Public Safety	5.4829
Chesterfield Township	Macomb	8.0000	Public Safety	0.7776
Brownstown Charter Township	Wayne	8.0000	Public Safety	4.0221
Clay Township	St. Clair	6.7250	Public Safety	0.5422
Bruce Township	Macomb	5.5300	Public Safety	1.7443
Sheridan Township	Calhoun	5.5000	Fire	0.7985
Higgins Township	Roscommon	5.0000	EMS	1.4276

Source: Michigan Department of Treasury

Table 4
Select Cities with High Special Assessment Millage Rates, 2018

City	County	Special Assessment Millage Rate	Special Assessment Purpose	Property Tax Millage Rate
Ecorse	Wayne	33.2766	Public Safety and Street Lights	23.6063
Harper Woods	Wayne	20.0000	Public Safety	24.6903
Melvindale	Wayne	10.0000	Public Safety	23.2892
Fraser	Macomb	9.0000	Public Safety	21.7998
River Rouge	Wayne	8.0000	Public Safety	23.9816
Saginaw	Saginaw	7.5000	Public Safety	7.3830
Bangor	Van Buren	6.7500	Public Safety	16.9604
Swartz Creek	Genesee	4.9000	Public Safety	11.6759
Kingston Village	Tuscola	4.0000	Public Safety	14.3696

Source: Michigan Department of Treasury

over 20 mills and townships that have a combined millage above 10 mills. Some local governments appear to have maxed out on their property tax levy; others maintain a fairly low property tax levy (e.g., Canton Charter Township), but have exceeded their property tax limitation when combined with their assessment rate.

Ecorse in Wayne County levies the largest special assessment millage of 22.2997 mills to fund police and public safety services. At the other end of the spectrum, Tuscarora Township (in Cheboygan County) has the lowest special assessment millage of 0.0439 mills for street

Table 5
Local Governments with High Combined Tax Rates, 2018

	County	Special Assessment Millage Rate	Property Tax Millage Rate	Total Millage Rate
Ecorse	Wayne	33.2766	23.6063	56.8829
Harper Woods	Wayne	20.0000	24.6903	44.6903
Melvindale	Wayne	10.0000	23.2892	33.2892
Royal Oak Charter Township	Oakland	19.7500	13.2102	32.9602
River Rouge	Wayne	8.0000	23.9816	31.9816
Fraser	Macomb	9.0000	21.7998	30.7998
Redford Charter Township	Wayne	8.4700	18.3458	26.8158
Hazel Park	Oakland	2.8000	21.8238	24.6238
Bangor	Van Buren	6.7500	16.9604	23.7104
Ferndale	Oakland	3.5333	18.9689	22.5022
Gaastra	Iron	3.0000	18.2016	21.2016
Gaylord	Otsego	3.0000	17.1382	20.1382
Clinton Charter Township	Macomb	9.0000	5.4829	14.4829
Waterford Charter Township	Oakland	2.9500	10.6291	13.5791
Benton Charter Township	Berrien	3.5000	9.9196	13.4196
Carrollton Township	Saginaw	11.9500	0.9134	12.8634
Kalamazoo Charter Township	Kalamazoo	3.5400	8.9412	12.4812
Canton Charter Township	Wayne	9.5340	2.8160	12.3500
Brownstown Charter Township	Wayne	8.0000	4.0221	12.0221
Champion Township	Marquette	2.5000	8.9067	11.4067
Brandon Charter Township	Oakland	4.3905	6.7142	11.1047
Lansing Charter Township	Ingham	2.0307	9.0065	11.0372

Source: Michigan Department of Treasury

A DISTINCTION WITHOUT A DIFFERENCE

lights. Royal Oak Township (in Oakland County) levies the most special assessments (four millages), but it is not alone: another 43 local governments levy multiple assessments. The City of Sylvan Lake (in Oakland County) provides an example where an ad valorem millage is similar to a traditional special assessment: it is levied by the city; the assessment is small (0.07 mills); it finances drain projects; and general services are financed by general property taxes that are much higher than the special assessment levy. (See **Appendix A** for a detailed listing of ad valorem special assessments.)

Possible Reasons for Increased Use

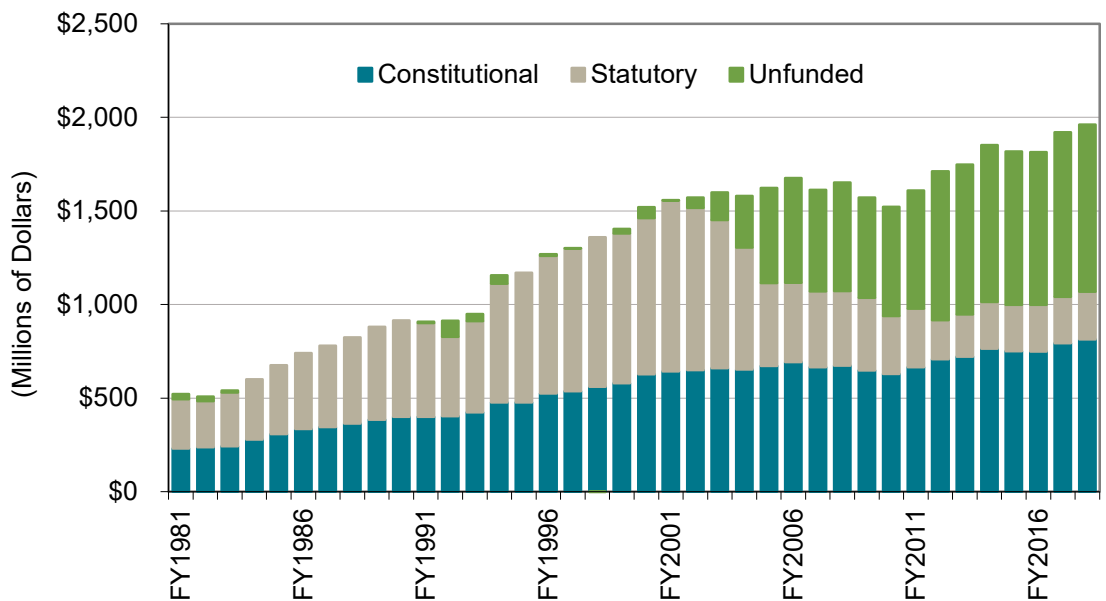
The increased use of Act 33 assessments is largely responsible for the growth in special assessments statewide. In recent years, Act 33 has been amended to provide that special assessments be levied on taxable value and that all property exempted from general property taxes be exempted from special assessments. This has served to make these types of special assessments even easier to levy and more productive for townships, villages, and select cities because they are levied more similarly to general property taxes. They do not require a vote of the people, though the township board or city council may submit the question of establishing a district to electors. Once a local unit levies an ad valorem special assessment for public safety purposes, it allows general property tax revenue that previously supported those services to be reallocated to finance other services. State law has made this fairly easy and local units have therefore increased their use of these types of ad valorem special assessments.

Also, Act 33 assessments, as well as those levied under other state laws, are not subject to Headlee rollbacks. This creates an incentive for units to levy an ad valorem special assessment rather than an ad valorem property tax because special assessments have greater long-term revenue growth potential because rates will not be rolled back. This was even more true when ad valorem special assessments were required to be levied on SEV rather than taxable value; SEV has much greater growth potential than taxable value because it is not restricted by inflation and grows with the market value of properties. However, most state authorizing legislation has been amended to require that special assessments, like general property taxes, be levied on taxable value.

Michigan's economic struggles throughout the 2000s have created fiscal challenges for local governments. On the revenue side, state policymakers faced with tight state budgets have cut discretionary state revenue sharing payments in order to maintain budget balance. Since 1998, cumulative revenue sharing losses to local governments total more than \$8 billion; in Fiscal Year (FY) 2018, the decline was almost \$900 million (see **Chart 2**). Additionally, the Great Recession saw

Chart 2

Constitutional, Statutory, and Unfunded State Revenue Sharing, FY1981-FY2018



Source: Michigan Department of Treasury

property values and property tax revenues decrease quickly and substantially for many local governments. From FY2008 to FY2012, the taxable value of all cities in Michigan fell 18 percent. Due to the state tax limitations, revenues from taxes levied on existing properties can decline quickly, but can recover at no greater than the rate of inflation. This is a particular problem for many of the mature, built out communities that do not experience much opportunity for new construction.³⁵

Decreases in state revenue sharing coupled with declining property tax revenues for many local governments have contributed to a municipal finance crisis and helps explain why more local governments might turn to ad valorem special assessments to fund services.

Funding the Same Basic Government Services Differently

Most local governments pay for fire and police (and other general government services) through the adoption of an ad valorem property tax that is levied on real and personal property and subject to voter approval, as well as constitutional and statutory restrictions on the tax rate and duration. A limited number of local units are authorized to fund the same general government services through ad valorem special assessments that are levied only on real property, have different authorizing and reporting requirements, and are not subject to the constitutional and statutory restrictions on their levy. Is this arrangement fair?

Linkage between Property Value and Benefit is Tenuous

The case law related to special assessments and how they differ from general property taxes is replete with the requirement that special assessments can only be levied when the property specially assessed receives a benefit from the improvement differing from the benefit to the general public and that the linkage between assessments levied and benefits received be clear and direct.

When ad valorem special assessments are levied to support municipal operating services (e.g., police,

fire, parks), they primarily benefit individuals and the general public rather than the specific property being assessed. In the case of fire services, it can be argued that they benefit the property assessed, but it is hard to argue that they provide a benefit beyond the general benefit to property owners throughout the local unit of government. It is also hard to identify what benefit is conferred upon vacant land when an ad valorem special assessment is levied for these services. In fact, you do not have to be a property owner, renter, or even a resident of the community to enjoy the benefits of the services funded by these special assessments. They are municipal operating services for which the general public has the opportunity to benefit equally.

Taxpayer Confusion

Average taxpayers cannot differentiate whether they are paying a property tax or an ad valorem special assessment, which raises a serious concern about the fairness of treating them differently under state law.

When it comes to traditional special assessments that are levied for a specific capital benefit and are apportioned

on land area or property front footage, it is easier to differentiate them from traditional property taxes and it makes sense to treat them differently under state law.

For an ad valorem special assessment used to fund a general government service, it is probably not clear to the taxpayer why or how it is different from their general property taxes. Even though it looks and acts like a tax, ad valorem special assessments are not subject to the constitutional and statutory restrictions that have been enacted related to ad valorem property taxes. This raises equity issues as some local governments pay for general government services through ad valorem property taxes, which are subject to tax limitations and restrictions, and others fund the same services through ad valorem special assessments. The differences between the two types of levies shows that the use of ad valorem special assessments is not only confusing, but can be inherently unfair.

Decreases in state revenue sharing coupled with declining property tax revenues for many locals have contributed to a municipal finance crisis.

Recommendations

While the use of ad valorem special assessments to finance local government services is technically legal, it undermines the legal and practical distinctions between taxes and special assessments. Despite this, state policymakers have continued to open the door to allow for their use.

Ad valorem special assessments should not be maintained in their current form. Special assessments should be levied only for recuperating costs that increase the market value of specific properties; they should not be unit-wide and they should not support general government services. If a local unit needs revenue to support general services, it should do so through a property tax levy that requires voter approval and is subject to constitutional and statutory tax limitations. If the property tax is not sufficient to meet the needs of local governments, then the bigger issue of the inadequacy of the municipal finance system needs to be addressed.

Eliminate Statutory Authorizations for Unit-Wide Ad Valorem Special Assessments

The first recommendation to eliminate statutory authorizations for unit-wide ad valorem special assessments is not a new one; we originally made it in our 1997 report on the same topic. In order to finance general government services, local governments should be required to levy ad valorem property taxes or other taxes authorized by state law. Property taxes would subject the levies to voter approval as well as constitutional and statutory restrictions. It would give property owners more rights to appeal the levies. This recommendation would also make ad valorem taxes levied to support general government services easier to track by making the general property tax the sole method for raising funds.

This solution would eliminate only a subset of the special assessments authorized in state law. It would not require the elimination of traditional special assessments, which are levied for specific capital improve-

ments; are apportioned on front footage, land area, or land/property value; and are not levied unit-wide.

It may be proper to use property value as the means of apportioning a traditional special assessment because the improvements can provide special benefits that will increase the value of properties. The problem with using taxable value to apportion assessments is that taxable value does not necessarily equate to market value, especially if a property has not been sold in many years. In Michigan, market value is measured by the SEV (i.e., 50 percent of true cash value). This better reflects the increase in property value due to any improvement made.

General governmental services, such as public safety (police, fire, emergency medical services, and ambulance) should be funded by general taxes.

General governmental services, such as public safety (police, fire, emergency medical services, and ambulance) should be funded by general taxes. This could take the form of the general operating tax or dedicated tax levies. When fire and

police services, for example, are financed from general property tax revenues, local officials are forced to balance these as well as other competing priorities against the availability of those revenues. The process of allocating limited resources among competing demands is the essence of public budgeting and is an integral part of determining local priorities.

The fact that local units may not be able to replace the lost special assessment revenue with new property tax revenue should not be dispositive because no local government should enjoy a perpetual right to levy unlimited taxes. It is important to note that some of the townships using special assessments to finance police or fire services have very low general property tax rates and have room within tax limitations to raise more property tax revenue with voter approval. For those townships that are at their property tax limits, one potential solution is to become a city. State law allows communities to form cities and draft a charter with the taxing authority to meet their revenue needs.

The traditional special assessment was created to finance capital improvements to specific properties, not

to fund general government services. To levy what is essentially a unit-wide property tax but call it a special assessment, is stretching the limits of the law and acceptable policy. A general tax on property, whether it is called a tax or a special assessment, should be subject to the property tax limitations written into state law.

That being said, it should be recognized that these unit-wide ad valorem special assessments usually are levied to fund essential government services – police, fire, and other public safety services – that cannot just be eliminated because their funding source has been withdrawn.

Nearly 70 years of bad public policy has allowed many local governments to create a dependence on this revenue raising device. Some local governments have turned to unit-wide ad valorem special assessments as a last resort, because other revenue options were either insufficient or perceived to be too great of a political challenge to overcome. Various property tax limitations have made identifying and enacting replacement revenue difficult. The following recommendations offer alternative means of funding these services, but there may be others. This recommendation should not be implemented in isolation.

Establish Police and Fire Authorities

The majority of ad valorem special assessments are levied to fund public safety services under Act 33. Any local government that is currently levying this type of special assessment could seek to form a public safety authority (local authorization required) which then would have the authority to levy a property tax (with voter approval) to support public safety services within the geographic footprint of all participating authority members (subject to the millage limitation established by the voters). This would eliminate the need for unit-wide ad valorem special assessments, but would also keep the local unit from having to levy a general property tax to support the service and, instead, create a new authority to fund and provide the public safety service. It would require the local government to join with another local government to create a multi-jurisdictional authority.

Establishing public authorities is a good option for a number of reasons. First, they are subject to voter approval and also need voter approval to levy property tax millages. Second, they are also subject to some constitutional property tax limitations, although they are not subject to the 15, 18, or 50 mill property tax limitations. Additional property tax limitations could be written into the bylaws of the public authority. Third, they are multi-jurisdictional, which leads to services being provided across a larger geographic region and can lead to efficiencies and cost savings.

Units of local government have been authorized to establish authorities for numerous purposesⁱ throughout the years, including emergency services, which is defined as fire protection services, emergency medical services, police protection, and any other emergency health or safety services.^j

The state and local governments should take a serious look at the municipal finance and service delivery system, which has not changed much since the 1800s.

Rethink Municipal Finance and Governance

One reason unit-wide ad valorem special assessments have become so popular is that state revenue sharing is severely underfunded relative to statutory intent and

local governments have struggled raising enough revenue from the general property tax to fund vital public services. As discussed above, many governments experienced severe property value reductions and tax revenue declines with the Great Recession. Coming out of the recession, property tax limitations have slowed the recovery of property tax revenues. At the same time, state revenue sharing to local governments has declined substantially since 2000. Ad valorem special assessments have provided a way to get around some of these funding limitations and provide needed revenue to local governments. However, the fact that local governments have limited revenue options and need to fund public safety and other services does not justify the implementation of bad policy.

ⁱ Citizens Research Council of Michigan. Report #346: "Authorization for Interlocal Agreements and Intergovernmental Cooperation in Michigan," April 2007 (https://crcmich.org/authorization_interlocal_agreements_intergovernmental_cooperation-2007/).

^j Emergency Services to Municipalities. PA 57 of 1988 (MCL 124.601-124.614).

A DISTINCTION WITHOUT A DIFFERENCE

If the property tax is not sufficient to meet local own-source revenue needs, then local governments need more revenue options, which could include sales or excise, income, transportation, “sin”, or other specific taxes. Additionally, the state and local governments should take a serious look at the municipal finance and service delivery system, which has not changed much since the 1800s despite advances in transportation, communication, and technology.

New Local-Option Taxes

The Research Council recently released a report providing detailed information on current local taxes and possibilities for expanded local-option taxes.^k This research was prompted in part by the fact that the local property tax is insufficient as the sole revenue source funding many local governments. High property tax rates are burdensome to taxpayers and generally unsustainable. Allowing local units that are struggling to meet their revenue needs to levy ad valorem special assessments just serves to raise the overall property tax burden on residents.

Local-option taxes discussed in the report include income, sales, motor fuel and vehicle related, utility, “sin”, tourism, amusement/entertainment, 9-1-1 and phone related, and sharing economy taxes. Some types of taxes would be easier to implement than others; some types of taxes are a better fit in some communities than others; but the overall message of the report was that Michigan is an outlier and needs to provide its local units with more taxing opportunities. Many other states afford their local units a number of tax options to capture economic activity and create diverse revenue streams.

If the state allowed for more local-option taxes, then local government officials and voters could decide on the appropriate menu and level of services and the taxes

^k Citizens Research Council of Michigan. Report 399: “Diversifying Local-Source Revenue Options on Michigan,” February 2018 (https://crcmich.org/PUBLICAT/2010s/2018/rpt399_Local_Option_Taxes.pdf).

to finance those services. Areas that cater to tourism might focus on tourism-related and sales-related taxes in an effort to share the tax burden with visitors. Areas that are employment centers might focus on income-related and sales-related taxes. While the state can authorize new local-option taxes (for the most part, a local sales tax may require a constitutional amendment and statewide vote of the people), no new taxes can be implemented at the local level without voter approval. Authorizing more local taxes just provides more options for local units and voters. Currently, township and village officials and voters have one option – a property tax, either through a general tax or an assessment. City officials and voters have two options – property or income taxes.

While it is true that local units need more revenue options, it is also true that many services can be provided more efficiently at the regional level.

Regional Taxes and Service Delivery

One of the key findings of the research into local-option taxes was that these taxes are best levied at the regional (e.g., county) level rather than the most local level. If the state authorizes new taxes to cities

and townships, it could introduce economic distortions by allowing individuals and businesses to adjust their tax burden fairly easily by changing the jurisdictions in which they live and do business. Authorizing taxes at the most local level could also intensify competition and socioeconomic disparities across local governments. Many of these concerns can be addressed by levying new taxes at the regional level.

In related policy, the Research Council has supported a push for greater county service provision and regional service delivery.³⁶ Our research found that the precarious financial condition of many local governments could be addressed by expanding regional governance at the county level; we identified a number of service categories (e.g., information technology, administration, tax collection, property assessment, public safety, etc.) that could benefit from county provision. Counties, as a regional form of government, are well suited to provide services to residents of smaller municipalities and to partner with larger municipalities to maximize the economies of scale so services can best be provided to benefit residents.

While it is true that local units need more revenue options, it is also true that many services can be provided more efficiently at the regional level. Coupling new regional taxes with regional service delivery at the county level might help to eliminate the need for ad valorem special assessments. Ad valorem special assessments are levied largely by townships providing public safety services; if these services are provided at the county level, it would free up the township from having to fund the service through an ad valorem special assessment. Townships and small cities could focus their funding and efforts on place-making and attracting residents to their communities while the county can provide many back-office functions and other services. If, for example, a county provides police services to all the townships within it, each township can still have specific officers dedicated to their township and their patrol so that they become a part of the community; the only difference would be that they would work for the county and all the back-office functions would be provided by the county.

Standardization and simplification of the laws and rules related to traditional special assessments, as well as the appeals process, would help.

Proper Role of Special Assessments

Traditional special assessments have a place in this reformed municipal finance system. They can provide an acceptable financing tool to provide needed capital improvements within local governments (or, more accurately, a portion of the local government). That being said, they also come with their own issues and problems related to their use.³⁷

First, the levy of traditional special assessments is unnecessarily complex and difficult due to the fact that the rules governing special assessments are dispersed between multiple statutory guidelines and judicial decisions. This can make understanding and following the rules difficult; despite this, failure to follow all laws related to a special assessment can make it voidable and require the local government to start the process over.³⁸

Additionally, some special assessments are levied under the state's "tax laws" and are appealed to the Michigan Tax Tribunal; others are levied under the state's "police powers" and are appealed to a court of

law. Different appeal processes, as well as a generally complicated appeals process, further confuse the matter. Standardization and simplification of the laws and rules related to traditional special assessments, as well as the appeals process, would help to address this issue.

Secondly, measuring the special assessment benefit can be difficult. In order for a jurisdiction to legally levy a special assessment, the project to be funded by the assessment must be deemed an immediate necessity and a clear benefit to the special assessment district must be established. It is not usually difficult to define a benefit in relation to a special assessment, but the process of determining which exact properties benefit, and should be included in the special assessment district, can be problematic.

Benefits from public projects can be direct and indirect; only costs resulting in direct benefits can be funded through the levy of a special assessment. Direct benefits are defined as a market value increase in benefitting property; special

assessments do not need to be apportioned in an amount exactly equal to the market value increase, but the apportionment must be reasonable. For example, if a local government is installing a water main to supply water to a specific neighborhood, those residents can be charged an assessment to cover the costs of installing the necessary water main. Costs can be apportioned in several different ways, including per front foot, per lineal foot, per acreage, etc., depending on the project. If the local government plans to install an oversize water main (12-inch rather than the necessary eight-inch) to accommodate future growth in the community, then the costs above those incurred for an eight-inch drain lead to indirect benefits and should be paid by the local government as an at-large assessment.

The idea of benefit and apportioning costs is not difficult to comprehend, but operationalizing benefit determination and costs can be quite difficult. The process is called benefit analysis and requires a valuation expert (i.e., someone who understands how the value

A DISTINCTION WITHOUT A DIFFERENCE

of capital investment can be spread across a specific geography) with a skill set beyond that of an administrator, accountant, or engineer; however, it can fall to those without the necessary expertise to determine the value of benefits.

Finally, another source of confusion relates to land value versus property value. Most laws allowing for the levy of special assessments refer to land value rather than property value. If an assessment burden is based on land value, then two identical plots of land

(one vacant and one with property on it) would be assessed the same. If an assessment burden is based on property value, then two identical plots of land could be assessed differently depending on the value of the structures on the property. Clarification and uniformity in state law as to whether special assessments should be levied based on land value or property value would address this issue. Certain types of levies are, by their nature, based on land (e.g., front footage) or property (e.g., ad valorem), but clarity for all types of levies would be useful.^{39 40 41}

Conclusion

The problem addressed in this paper is not with all special assessments, but with the hybrid ad valorem special assessment, which is levied like a tax, but regulated like a special assessment. Traditional special assessments provide a financing option for needed capital improvements within a local unit of government. General government services that are provided unit-wide should be funded from tax revenues.

The Research Council has addressed this issue in the past (once in 1983 and again in 1997) and little progress has been made on any of our suggested remedies. Despite our admonitions against ad valorem special assessments, their use has only increased in recent years. They have become a Band-Aid for local units that allows state and local officials to avoid the hard issue of the broken municipal finance system. Addressing this issue will require state and local officials

to rethink how local government is structured, how it is funded, and how services are provided.

The three general recommendations made in this report reflect this need to address the overall municipal governance and finance system: 1) eliminate statutory authorizations for unit-wide ad valorem special assessments, 2) establish police and fire authorities, and 3) rethink municipal finance and governance.

These recommendations are not mutually exclusive and can be pursued concurrently. Ultimately, state policymakers need to restructure the municipal governance system to provide regional governance, adequate revenue, and efficient services. If local units had adequate revenue options and were required to provide services regionally when possible, ad valorem special assessments would no longer be necessary.

Appendix A 2018 Ad Valorem Special Assessment Districts

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Lee Township	Allegan	4,045	4.0000	Fire	\$56,342,255	\$225,369	4.1573	\$60,814,055	\$252,822	8.1573
Saugatuck Township	Allegan	3,113	2.0000	Fire	\$306,229,803	\$612,460	2.5487	\$312,610,803	\$796,751	4.5487
Watson Township	Allegan	2,044	1.0000	Fire/Police/EMS	\$60,498,749	\$60,499	3.6771	\$63,661,949	\$234,091	4.6771
Village of Douglas	Allegan	993	2.0000	Fire	\$153,638,373	\$307,277	13.0818	\$156,408,173	\$2,046,100	15.0818
Saugatuck	Allegan	915	2.0000	Fire	\$147,782,783	\$295,566	13.8594	\$149,596,883	\$2,073,323	15.8594
Banks Township	Antrim	1,625	1.1000	Fire	\$91,713,206	\$100,885	1.9878	\$95,239,006	\$189,316	3.0878
Central Lake Township	Antrim	2,127	2.0000	Fire	\$130,055,853	\$260,112	1.9915	\$134,852,153	\$268,558	3.9915
Custer Township	Antrim	955	2.0000	Fire	\$79,882,661	\$159,765	3.0000	\$91,501,561	\$274,505	5.0000
Elk Rapids Township	Antrim	2,584	2.1000	Fire	\$257,484,429	\$540,717	1.3101	\$262,610,229	\$344,046	3.4101
Forest Home Township	Antrim	1,553	1.2500	Fire	\$209,433,504	\$261,792	1.9730	\$212,306,804	\$418,881	3.2230
Helena Township	Antrim	930	3.0000	Fire	\$129,675,604	\$389,027	2.6968	\$132,790,604	\$358,110	5.6968
Kearney Township	Antrim	2,005	1.2500	Fire	\$108,279,534	\$135,349	1.4925	\$115,682,834	\$172,657	2.7425
Mancelona Township	Antrim	4,314	2.0000	Fire	\$83,650,951	\$167,302	2.4870	\$93,619,951	\$232,833	4.4870
Milton Township	Antrim	2,424	1.0000	Fire	\$324,119,981	\$324,120	2.8562	\$329,499,781	\$941,117	3.8562
Torch Lake Township	Antrim	1,083	1.0000	Fire	\$250,999,822	\$251,000	1.4733	\$256,714,122	\$378,217	4.3233
Adams Township	Arenac	619	1.0000	Ambulance/ALS	\$15,086,619	\$15,087	0.8852	\$17,183,819	\$15,211	1.8852
Clayton Township	Arenac	988	1.0000	Fire	\$27,468,290	\$27,468	1.8379	\$29,228,190	\$53,718	2.8379
Deep River Township	Arenac	1,943	1.0000	Fire	\$50,096,948	\$50,097	1.8796	\$52,222,648	\$98,158	2.8796
Lincoln Township	Arenac	929	1.0000	Fire	\$24,327,188	\$24,327	1.8789	\$27,198,688	\$51,104	2.8789
Standish Township	Arenac	1,801	2.0000	Fire	\$41,540,522	\$83,081	1.8449	\$49,284,368	\$90,925	3.8449
Gibson Township	Bay	1,140	1.0000	Fire	\$25,782,579	\$25,783	1.5729	\$29,225,345	\$45,969	2.5729
Crystal Lake Township	Benzie	1,075	0.5000	Fire	\$160,934,907	\$80,467	1.6832	\$168,732,763	\$284,011	2.1832
Benton Charter Township	Berrien	14,502	1.5000	Fire	\$351,538,657	\$527,308	9.9196	\$407,095,757	\$4,038,227	13.4196
Bertrand Township	Berrien	2,621	1.5260	Police/Public Safety	\$132,885,292	\$703,077	0.8888	\$161,885,372	\$143,884	2.4148
Niles Township	Berrien	13,925	0.3500	Fire	\$352,923,790	\$123,523	1.8646	\$392,231,131	\$731,354	4.7146
St. Joseph Charter Township	Berrien	9,864	1.5000	Disposal/Garbage	\$426,891,465	\$640,337	6.2433	\$426,891,465	\$2,665,211	7.7433
Bronson	Branch	2,484	1.0000	Fire	\$25,234,954	\$25,235	16.8414	\$30,762,840	\$518,089	17.8414
Albion Township	Calhoun	1,039	3.0000	Fire	\$38,280,344	\$114,841	1.9379	\$43,645,594	\$84,581	4.9379
Athens Township	Calhoun	2,522	2.8000	Fire	\$60,136,804	\$168,383	0.8832	\$84,534,576	\$74,661	4.1832
Bedford Charter Township	Calhoun	9,464	4.5000	Library	\$174,540,351	\$785,432	2.8848	\$184,284,186	\$531,623	7.3848
Clarence Township	Calhoun	1,997	0.5000	Police/Public Safety	\$73,835,221	\$36,918	0.9922	\$76,783,421	\$76,185	1.4922

Appendix A (continued)

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Emmett Charter Township	Calhoun	11,646	4.1990	Police/Public Safety	\$330,904,958	\$1,389,470	0.8432	\$360,142,148	\$303,672	5.0422
Homer Township	Calhoun	2,986	1.7000	Fire	\$33,659,350	\$57,221	1.9100	\$60,783,170	\$116,096	3.6100
Sheridan Township	Calhoun	2,104	5.5000	Fire	\$46,718,411	\$256,951	0.7985	\$85,306,240	\$68,117	6.2985
Jefferson Township	Cass	2,511	1.7500	Fire/Police/EMS	\$96,279,347	\$168,489	0.7873	\$122,189,108	\$96,199	2.5373
LaGrange Township	Cass	3,500	2.0000	Fire	\$93,701,590	\$187,403	0.8751	\$100,985,690	\$88,373	2.8751
Penn Township	Cass	1,849	0.3400	Ambulance/ALS	\$188,015,365	\$63,925				
			0.5000	Fire		\$94,008	0.6626	\$217,449,465	\$144,082	1.5026
Tuscarora Township	Cheboygan	2,958	0.7317	Fire	\$227,965,886	\$166,803				
			4.0500	Police/Public Safety		\$923,262				
			0.0439	Street Lights		\$10,008	1.2922	\$235,228,452	\$303,962	6.1178
Wilnot Township	Cheboygan	776	1.0000	Fire	\$21,627,349	\$21,627	2.4892	\$22,320,392	\$55,560	3.4892
Freeman Township	Clare	1,021	1.0000	Fire	\$44,317,611	\$44,318	4.4031	\$47,378,632	\$208,613	5.4031
Garfield Township	Clare	1,995	1.9000	Fire	\$91,414,888	\$173,688	0.7148	\$94,808,611	\$67,769	2.6148
Redding Township	Clare	342	1.0000	Fire	\$16,946,860	\$16,947	0.6866	\$20,095,663	\$13,798	1.6866
Surrey Township	Clare	3,565	2.5000	Fire	\$89,477,689	\$223,694	2.5362	\$97,917,730	\$248,339	5.0362
Eagle Township	Clinton	2,694	2.0000	Fire	\$100,987,156	\$201,974	0.9961	\$106,014,438	\$105,601	2.9961
Lovells Township	Crawford	601	1.0857	Fire/Police/EMS	\$50,435,074	\$54,757	0.8003	\$61,178,547	\$48,961	1.8860
South Branch Township	Crawford	1,806	1.2500	Ambulance/ALS	\$73,852,626	\$92,316				
			2.2500	Fire		\$166,168	2.8196	\$83,949,596	\$236,704	6.3196
Roxand Township	Eaton	1,915	2.0000	Fire	\$53,244,330	\$106,489	0.8404	\$58,276,110	\$48,975	2.8404
Sunfield Township	Eaton	1,972	1.5000	Fire	\$59,223,150	\$88,835	0.9073	\$65,079,100	\$59,046	2.4073
Swartz Creek	Genesee	5,565	4.9000	Police/Public Safety	\$131,148,103	\$642,626	11.6759	\$149,369,514	\$1,744,024	16.5759
Buckeye Township	Gladwin	1,358	1.0000	Fire	\$32,997,506	\$32,998	1.9781	\$39,653,233	\$78,438	2.9781
Gladwin Township	Gladwin	1,145	1.0000	Fire	\$30,402,267	\$30,402	0.7746	\$32,824,094	\$25,426	1.7746
Grout Township	Gladwin	1,990	1.0000	Fire	\$40,104,858	\$40,105	0.7628	\$45,170,564	\$34,456	1.7628
Hay Township	Gladwin	1,247	1.0000	Fire	\$46,351,951	\$46,352	1.4039	\$50,448,583	\$70,825	2.4039
Sage Township	Gladwin	2,563	1.0000	Fire	\$80,201,218	\$80,201	0.7686	\$84,697,668	\$65,099	1.7686
Sherman Township	Gladwin	995	1.0000	Fire	\$34,155,281	\$34,155	0.7442	\$37,887,714	\$28,196	1.7442
Gladwin	Gladwin	2,897	1.0000	Fire	\$53,324,900	\$53,325	14.6457	\$60,360,466	\$884,021	15.6457
Acme Township	Grand Traverse	4,625	0.3250	Ambulance/ALS	\$322,537,567	\$104,825				
			2.3500	Fire		\$757,963				
			0.0750	Police/Public Safety		\$24,190	1.4486	\$344,194,667	\$498,600	4.1986
Blair Township	Grand Traverse	8,724	2.5000	Fire/Police/EMS	\$265,210,875	\$663,027	2.3082	\$282,860,283	\$652,898	4.8082
East Bay Township	Grand Traverse	11,295	2.3300	Fire	\$545,280,201	\$1,270,503				
			0.8400	Ambulance/ALS		\$458,035				
			0.2500	Police/Public Safety		\$136,320	0.7230	\$567,969,301	\$410,642	4.1430
Garfield Charter Township	Grand Traverse	17,017	2.3500	Fire	\$820,845,716	\$1,928,987	2.0000	\$903,500,416	\$1,807,001	4.3500

Appendix A (continued)

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Peninsula Township	Grand Traverse	5,702	2.0000	Fire	\$693,220,045	\$1,386,440	2.6185	\$702,028,945	\$1,838,263	4.6185
Whitewater Township	Grand Traverse	2,739	1.0000	Fire	\$194,294,018	\$194,294	2.0900	\$202,853,018	\$423,963	3.0900
Elba Township	Graiot	1,241	1.2500	Fire	\$24,495,606	\$30,620	1.9213	\$35,129,106	\$67,494	3.1713
St. Louis	Graiot	7,261	2.0000	Fire	\$50,477,292	\$100,955	13.1376	\$50,789,434	\$667,251	15.1376
Wheatland Township	Hillsdale	1,245	0.7500	Fire	\$38,389,809	\$28,792	0.7746	\$39,902,909	\$30,909	1.5246
Quincy Township	Houghton	314	1.5500	Fire	\$6,907,736	\$10,707	3.5500	\$8,069,444	\$28,647	5.1000
Caseville Township	Huron	1,673	0.6000	Fire	\$180,642,717	\$108,386				
Lake Township	Huron	620	0.6000	Police/Public Safety	\$94,569,274	\$56,742	2.1356	\$191,043,875	\$407,993	4.2356
Ingham Township	Ingham	2,467	2.5000	Fire	\$68,866,578	\$172,166	0.9997	\$77,259,457	\$77,236	3.4997
Lansing Charter Township	Ingham	8,188	2.0307	Drains	\$272,851,595	\$554,080	9.0065	\$296,193,695	\$2,667,669	11.0372
Danby Township	Ionia	3,012	0.0790	Drains	\$92,694,575	\$7,323	0.7643	\$96,574,775	\$73,812	0.8433
Orange Township	Ionia	838	1.0000	Fire	\$47,348,612	\$47,349	0.8549	\$52,459,612	\$44,848	1.8549
Sebewa Township	Ionia	1,297	1.5000	Fire	\$40,779,579	\$61,169	2.7917	\$42,360,279	\$118,257	4.2917
Gaastra	Iron	383	3.0000	Fire	\$4,032,050	\$12,096	18.2016	\$4,249,100	\$77,340	21.2016
Norvell Township	Jackson	2,956	0.8289	Fire	\$124,604,809	\$103,285	0.7693	\$134,345,909	\$103,352	1.5982
Charleston Township	Kalamazoo	1,974	1.0000	Fire	\$86,222,233	\$86,222	1.4668	\$102,054,433	\$149,693	2.4668
Comstock Charter Township	Kalamazoo	15,377	4.2500	Fire	\$491,242,384	\$2,087,780	5.9618	\$559,832,152	\$3,337,607	10.2118
Kalamazoo Charter Township	Kalamazoo	22,504	1.0000	Fire	\$410,928,426	\$410,928				
			2.0000	Police/Public Safety		\$821,857				
			0.5400	Street Lights		\$221,901	8.9412	\$434,361,426	\$3,883,712	12.4812
Oshtemo Charter Township	Kalamazoo	22,658	3.7500	Fire	\$757,840,576	\$2,841,902	0.9703	\$826,354,876	\$801,812	4.7203
Climax	Kalamazoo	753	2.5000	Hydrants	\$13,402,895	\$33,507	9.0000	\$13,997,195	\$125,975	11.5000
Byron Township	Kent	22,743	0.9100	Fire	\$832,085,609	\$757,198				
			0.6000	Police/Public Safety		\$499,251	0.7100	\$1,127,399,089	\$800,453	2.2200
Almont Township	Lapeer	6,738	2.2500	Police/Public Safety	\$165,351,452	\$372,041	2.3150	\$248,036,692	\$574,205	4.5650
Glen Arbor Township	Leelanau	624	2.2700	Fire	\$429,293,224	\$974,496	0.4711	\$450,293,937	\$212,133	2.7411
Franklin Township	Lenawee	3,175	2.5000	Fire	\$137,472,834	\$343,682	0.7369	\$162,633,690	\$119,845	3.2369
Armada Township	Macomb	5,476	3.2500	Fire	\$207,931,845	\$675,778	2.2235	\$307,239,345	\$683,147	5.4735
Bruce Township	Macomb	9,048	3.2900	Ambulance/ALS	\$428,221,476	\$1,408,849				
			2.2400	Fire		\$959,216	1.7443	\$474,730,376	\$828,072	7.2743
Chesterfield Township	Macomb	44,726	8.0000	Police/Public Safety	\$1,542,799,440	\$12,342,396	0.7776	\$1,626,298,040	\$1,264,609	8.7776
Clinton Charter Township	Macomb	99,726	4.0000	Fire	\$2,722,927,177	\$10,891,709				
			5.0000	Police/Public Safety		\$13,614,636	5.4829	\$2,871,289,377	\$15,742,993	14.4829
Lenox Township	Macomb	10,686	3.2239	Fire	\$194,114,845	\$625,807				
			0.9211	Roads		\$178,799	2.0714	\$278,821,799	\$577,551	6.2164
Macomb Township	Macomb	86,710	2.0000	Fire	\$3,370,624,983	\$6,741,250	3.0701	\$3,478,322,982	\$10,678,799	5.0701

Appendix A (continued)

A DISTINCTION WITHOUT A DIFFERENCE

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Richmond Township	Macomb	3,783	2.3500	EMS	\$138,200,945	\$324,772	1.0708	\$172,710,245	\$184,938	3.9208
Washington Township	Macomb	26,919	1.7395	Ambulance/ALS	\$1,277,695,868	\$2,222,552	1.5849	\$1,375,574,368	\$2,180,148	5.6334
Fraser	Macomb	14,616	2.3090	Fire	\$404,023,753	\$2,950,200	21.7998	\$441,632,053	\$9,627,490	30.7998
Armada	Macomb	1,855	9.0000	Police/Public Safety	\$38,375,497	\$3,636,214	12.7265	\$41,105,597	\$523,130	16.2265
New Haven	Macomb	4,714	3.0000	Police/Public Safety	\$77,937,889	\$134,314	12.7500	\$84,706,954	\$1,080,014	15.7500
Champion Township	Marquette	308	2.5000	Fire	\$20,553,640	\$51,384	8.9067	\$21,448,440	\$191,035	11.4067
Marquette Charter Township	Marquette	3,928	2.5000	Fire	\$233,067,582	\$582,669	8.3111	\$246,437,118	\$2,048,164	10.8111
Negaunee Township	Marquette	3,120	2.5000	Fire	\$140,297,488	\$350,744	5.8852	\$150,341,432	\$884,789	8.3852
Sheridan Township	Mecosta	1,301	0.8402	Fire	\$37,487,902	\$31,497	1.2500	\$39,135,929	\$48,920	2.0902
Edenville Township	Midland	2,532	1.4000	Fire	\$82,876,062	\$116,026	1.1017	\$94,643,815	\$104,269	2.5017
Homer Township	Midland	3,988	1.7500	Fire	\$112,417,400	\$196,730	1.3463	\$119,937,425	\$161,472	3.0963
Lee Township	Midland	4,269	2.0000	Fire	\$81,399,886	\$162,800	0.8425	\$88,266,782	\$74,365	2.8425
Millis Township	Midland	1,737	2.2500	Fire	\$46,110,839	\$103,749	2.2490	\$51,059,959	\$114,834	4.4990
Caldwell Township	Missaukee	1,262	1.0000	Fire	\$37,954,791	\$37,955	1.4400	\$41,320,591	\$59,502	3.4400
Berlin Charter Township	Monroe	9,201	1.7500	Street Lights	\$285,246,930	\$37,955	0.6893	\$285,246,930	\$196,621	2.4393
Reynolds Township	Montcalm	5,310	1.0000	Fire	\$75,105,439	\$499,182	1.6608	\$116,042,676	\$192,724	3.6608
Albert Township	Montmorency	2,293	1.0000	Roads	\$138,339,053	\$75,105	1.1718	\$152,989,967	\$179,274	5.8564
Brooks Township	Newaygo	3,455	4.6846	Fire/Ambulance	\$135,310,911	\$648,063	0.7546	\$140,680,011	\$106,157	2.8456
Croton Township	Newaygo	3,224	2.0910	Fire	\$135,552,730	\$282,935	2.9144	\$135,552,730	\$395,055	4.5144
Dayton Township	Newaygo	1,957	1.6000	Fire	\$65,918,480	\$216,864	0.9106	\$68,228,280	\$62,129	1.4796
Sherman Township	Newaygo	2,195	0.5690	Fire	\$66,250,984	\$37,508	0.7713	\$68,826,684	\$53,086	1.7713
Newaygo	Newaygo	1,921	1.0000	Fire	\$55,541,361	\$66,251	17.7500	\$55,541,361	\$985,859	19.8410
White Cloud	Newaygo	1,346	2.0910	Fire	\$18,061,570	\$116,137	17.4145	\$18,061,570	\$314,533	19.3825
Brandon Charter Township	Oakland	15,667	0.5905	Fire/Police/EMS	\$491,807,130	\$35,545	6.7142	\$548,489,440	\$3,682,668	11.1047
Commerce Charter Township	Oakland	42,258	3.8000	Fire	\$1,943,308,740	\$1,868,867	3.0711	\$2,029,823,550	\$6,233,791	7.6931
Holly Township	Oakland	11,562	2.0000	Police/Public Safety	\$174,545,790	\$5,095,356	2.4549	\$300,438,320	\$737,546	5.9549
Novi Township	Oakland	142	3.5000	Fire	\$8,511,640	\$610,910	3.1335	\$8,652,060	\$27,111	5.1335
Royal Oak Charter Township	Oakland	2,602	4.0000	Disposal/Garbage	\$26,597,420	\$17,023	13.2102	\$32,034,200	\$423,178	32.9602
			13.0000	Fire	\$345,766					
			1.2500	Parks/Recreation	\$33,247					
			1.5000	Street Lights	\$39,896					

Appendix A (continued)

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Waterford Charter Township	Oakland	72,948	2.9500	Fire/Police/EMS	\$2,042,240,640	\$6,024,610	10.6291	\$2,122,420,610	\$22,559,421	13.5791
Ferndale	Oakland	20,159	1.4894	Drains	\$556,044,800	\$828,173				
			2.0439	Drains		\$1,136,500	18.9689	\$612,701,280	\$11,622,269	22.5022
Hazel Park	Oakland	16,587	2.8000	Police/Public Safety	\$174,759,880	\$489,328	21.8238	\$190,563,960	\$4,158,830	24.6238
Sylvan Lake	Oakland	1,753	0.0700	Drains	\$85,663,010	\$5,996	14.5145	\$92,827,530	\$1,347,345	14.5845
Hersey Township	Osceola	1,653	2.0000	Fire	\$48,268,160	\$96,536	1.7200	\$73,574,190	\$126,548	3.7200
LeRoy Township	Osceola	1,562	2.0000	Fire	\$30,626,313	\$61,253	2.8156	\$35,482,676	\$99,905	4.8156
Osceola Township	Osceola	1,247	0.5000	Fire	\$26,027,252	\$13,014	2.8515	\$30,578,551	\$87,195	3.3515
Rose Lake Township	Osceola	1,188	2.0000	Fire	\$47,553,013	\$95,106	1.7955	\$53,759,173	\$96,525	3.7955
Otsego Lake Township	Otsego	2,855	1.0500	Fire	\$144,376,443	\$151,595	0.8207	\$159,505,199	\$130,906	1.8707
Gaylord	Otsego	3,647	3.0000	Police/Public Safety	\$142,095,990	\$426,288	17.1382	\$174,039,787	\$2,982,729	20.1382
Grand Haven Charter Township	Ottawa	16,266	0.5500	Police/Public Safety	\$776,017,608	\$426,810	4.5861	\$802,254,708	\$3,679,220	5.1361
Spring Lake Township	Ottawa	14,913	1.1500	Fire	\$747,339,552	\$859,440	2.2730	\$767,223,252	\$1,743,898	3.4230
Case Township	Presque Isle	779	2.7500	Fire	\$38,140,950	\$104,888	0.9870	\$39,857,730	\$39,340	3.7370
Gerrish Township	Roscommon	2,944	2.5300	Fire	\$299,922,886	\$758,805				
			2.2600	Police/Public Safety		\$677,826	0.9587	\$305,832,986	\$293,202	5.7487
Higgins Township	Roscommon	2,151	5.0000	EMS	\$46,123,715	\$230,619	1.4276	\$53,188,515	\$75,932	6.4276
Markey Township	Roscommon	2,268	3.0000	Fire/Police/EMS	\$117,520,670	\$352,562	2.0152	\$121,737,870	\$245,326	5.0152
Richfield Township	Roscommon	3,650	0.6075	Fire	\$116,654,269	\$70,867				
			1.2023	Police/Public Safety		\$140,253	4.6199	\$121,143,469	\$559,671	6.4297
Birch Run Township	Saginaw	5,789	1.0000	Fire	\$200,638,945	\$200,639	1.7889	\$237,996,500	\$425,752	2.7889
Brady Township	Saginaw	2,122	1.5000	Fire	\$52,082,881	\$78,124	0.8866	\$54,497,581	\$48,318	2.3866
Brant Township	Saginaw	1,957	1.5000	Fire	\$52,309,486	\$78,464	0.8691	\$54,567,186	\$47,424	2.3691
Carrollton Township	Saginaw	5,829	2.7500	Fire	\$68,454,529	\$188,250				
			9.2000	Police/Public Safety		\$629,782	0.9134	\$78,110,279	\$71,346	12.8634
Chesaning Township	Saginaw	4,475	1.5000	Fire	\$119,644,517	\$179,467	0.9253	\$126,172,317	\$116,747	2.4253
Jonesfield Township	Saginaw	1,591	3.7500	Fire	\$44,591,802	\$167,219	0.9229	\$48,051,702	\$44,347	4.6729
Kochville Township	Saginaw	5,024	1.0000	Fire	\$172,251,689	\$172,252				
			2.0000	Fire	\$117,760,106	\$235,520	0.9766	\$198,920,189	\$194,265	3.9766
Lakefield Township	Saginaw	1,017	3.7500	Fire	\$28,986,193	\$108,698	2.8958	\$30,201,104	\$87,456	6.6458
Richland Township	Saginaw	4,009	1.8000	Fire	\$127,775,910	\$229,997				
			3.0000	Police/Public Safety		\$383,328	2.5668	\$149,886,610	\$384,729	7.3668
Saginaw Charter Township	Saginaw	39,742	1.8000	Fire	\$1,164,713,883	\$2,096,485	6.4311	\$1,263,511,486	\$8,125,769	8.2311
St. Charles Township	Saginaw	3,203	1.5000	Fire	\$77,308,269	\$115,962	0.9917	\$82,148,169	\$81,466	2.4917
Swan Creek Township	Saginaw	2,276	1.5000	Fire	\$83,616,511	\$125,425	0.9225	\$87,830,911	\$81,024	2.4225
Saginaw	Saginaw	49,366	7.5000	Police/Public Safety	\$386,409,220	\$2,898,069	7.3830	\$455,605,404	\$3,363,735	14.8830

Appendix A (continued)

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Birch Run	Saginaw	1,699	1.5000	Roads	\$63,508,926	\$95,263	4.5700	\$75,587,526	\$345,435	8.0700
			2.0000	Other		\$127,018				
Reese	Saginaw	1,500	1.5000	Fire	\$276,475	\$415	11.0000	\$29,332,397	\$322,656	12.5000
China Township	St. Clair	3,465	0.2000	Fire	\$410,539,274	\$82,108	2.0000	\$493,348,176	\$986,696	2.2000
Clay Township	St. Clair	8,867	2.1250	Fire	\$445,433,912	\$946,547	0.5422	\$455,171,912	\$246,794	7.2672
Fort Gratiot Charter Township	St. Clair	11,045	2.0580	Fire	\$392,425,873	\$807,612	3.9198	\$418,592,559	\$1,640,799	6.1048
			0.1270	Street Lights		\$49,838				
Port Huron Charter Township	St. Clair	10,408	3.4500	Police/Public Safety	\$223,582,107	\$771,358	5.3750	\$243,860,807	\$1,310,752	9.2910
Colon Township	St. Joseph	3,322	0.2057	Ambulance/ALS	\$79,219,262	\$16,295	1.7888	\$106,421,591	\$190,367	3.3750
			1.3805	Fire		\$109,362				
Mendon Township	St. Joseph	2,688	0.2967	Ambulance/ALS	\$108,159,779	\$32,091	1.9478	\$108,159,779	\$210,674	3.4312
			1.1867	Fire		\$128,363				
Park Township	St. Joseph	2,575	0.7209	Fire	\$136,924,861	\$98,709	0.9587	\$136,924,861	\$131,270	1.6796
Colon	St. Joseph	1,126	0.3140	Ambulance/ALS	\$27,202,329	\$8,542	11.0209	\$27,202,329	\$299,794	13.6130
			1.8536	Fire		\$50,422				
New Haven Township	Shiawassee	1,227	1.0000	Fire	\$45,779,879	\$45,780	2.9859	\$47,684,979	\$142,383	3.9859
			0.4245	Sidewalk		\$11,547				
Laingsburg	Shiawassee	1,275	1.0506	Ambulance/ALS	\$26,395,789	\$27,731	18.1181	\$27,487,877	\$498,028	19.1687
Arbela Township	Tuscola	2,980	2.0000	Police/Public Safety	\$60,708,741	\$121,417	3.8878	\$67,574,051	\$262,714	5.8878
Denmark Township	Tuscola	2,956	0.3100	Ambulance/ALS	\$62,619,848	\$19,412	2.4518	\$106,601,224	\$261,365	4.3868
			1.0000	Fire		\$62,620				
Kingston Township	Tuscola	1,503	0.6250	Fire		\$39,137	3.3223	\$36,733,508	\$122,040	4.3223
			1.0000	Fire	\$31,073,343	\$31,073				
Millington Township	Tuscola	4,191	2.5000	Police/Public Safety	\$86,671,162	\$216,678	2.4852	\$109,686,065	\$272,592	4.9852
Tuscola Township	Tuscola	2,076	0.7500	Fire	\$66,580,120	\$49,935	1.5265	\$81,894,320	\$125,012	2.2765
Akron	Tuscola	452	1.0000	Roads	\$5,093,133	\$5,093	12.8912	\$6,267,833	\$80,800	13.8912
			4.0000	Police/Public Safety		\$18,887				
Kingston	Tuscola	387	4.0000	Police/Public Safety	\$4,721,808	\$18,887	14.3696	\$5,255,656	\$75,522	18.3696
Reese	Tuscola	2,076	1.5000	Fire	\$27,389,916	\$41,085	11.0000	\$29,332,397	\$322,656	12.5000
Arlington Township	Van Buren	2,204	2.8066	Fire	\$56,766,333	\$159,320	3.2062	\$59,103,233	\$189,497	6.0128
Bangor Township	Van Buren	2,160	2.8000	Fire	\$61,130,311	\$171,165	5.0871	\$64,306,980	\$327,136	7.8871
Columbia Township	Van Buren	2,544	2.0000	Fire	\$86,947,118	\$173,894	5.2768	\$91,524,418	\$482,956	7.2768
Decatur Township	Van Buren	3,639	1.5000	Fire	\$80,654,592	\$120,982	3.3594	\$95,261,192	\$320,020	5.8594
			0.5000	Fire		\$40,327				
Geneva Township	Van Buren	3,510	0.5000	Fire/Police/EMS		\$40,327	4.1539	\$96,585,198	\$401,205	6.7539
			2.6000	Fire	\$92,608,318	\$240,782	4.1539	\$96,585,198	\$401,205	6.7539

Appendix A (continued)

Municipality	County	2017 Population Estimate	SA Millage Rate	Special Assessment Purpose	SA Total Property Valuation	SA Assessment Levy	2018 General Property Tax Millage Rate	Taxable Value (all classes of property)	Property Tax Levy	Total Millage
Hamilton Township	Van Buren	1,331	0.5000	Fire/Police/EMS	\$53,073,807	\$26,537				
			1.5000	Fire		\$79,611				
			0.5000	Fire		\$26,537	2.0039	\$55,981,007	\$112,180	4.5039
Lawrence Township	Van Buren	3,235	2.8000	Fire	\$105,967,742	\$296,710	2.4876	\$110,494,542	\$274,866	5.2876
Paw Paw Township	Van Buren	6,892	1.0000	Fire	\$234,836,879	\$234,837	1.3340	\$247,168,679	\$329,723	2.3340
Porter Township	Van Buren	2,258	1.5000	Roads	\$132,620,668	\$198,931	3.2023	\$137,700,358	\$440,958	4.7023
South Haven Charter Township	Van Buren	3,938	2.7200	Fire	\$146,184,639	\$397,622	4.1604	\$153,312,839	\$637,843	6.8804
Waverly Township	Van Buren	2,519	1.0000	Fire	\$65,755,487	\$65,755	3.1313	\$67,372,287	\$210,963	4.1313
Bangor	Van Buren	1,896	2.7500	Fire	\$25,496,428	\$70,115				
			4.0000	Police/Public Safety		\$101,986	16.9604	\$32,222,228	\$546,502	23.7104
Hartford	Van Buren	2,619	1.4941	Fire	\$29,555,067	\$44,158	12.6410	\$34,963,967	\$441,980	14.1351
Mattawan	Van Buren	2,307	3.0000	Police/Public Safety	\$56,202,889	\$188,609	4.1504	\$69,349,601	\$287,829	7.1504
Paw Paw	Van Buren	3,414	1.5000	Police/Public Safety	\$86,946,400	\$130,420	15.7774	\$84,744,758	\$1,337,052	17.2774
Lodi Township	Washtenaw	6,354	0.9000	Fire	\$376,317,689	\$338,686	0.9351	\$443,987,922	\$415,173	1.8351
Saline Township	Washtenaw	2,060	1.0000	Fire	\$95,478,976	\$95,479	1.9095	\$106,992,976	\$204,303	2.9095
Scio Township	Washtenaw	17,305	0.9000	Fire	\$1,219,848,590	\$1,097,864	1.7826	\$1,283,781,090	\$2,288,468	2.6826
Brownstown Charter Township	Wayne	31,026	4.0000	Fire	\$933,472,723	\$3,733,891	4.0221	\$1,002,600,314	\$4,032,559	12.0221
			4.0000	Police/Public Safety		\$3,733,891				
Canton Charter Township	Wayne	90,345	3.8580	Fire	\$3,745,445,413	\$14,449,928				
			5.6760	Police/Public Safety		\$21,259,148	2.8160	\$3,917,842,691	\$11,032,645	12.3500
Redford Charter Township	Wayne	47,356	1.2000	Street Lights	\$759,330,845	\$911,197				
			7.2700	Fire/Police/EMS		\$5,520,335	18.3458	\$824,294,945	\$15,122,350	26.8158
Ecorse	Wayne	9,321	8.2877	Fire	\$77,326,003	\$640,855				
			22.2997	Police/Public Safety		\$1,724,347				
			2.6892	Street Lights		\$207,945	23.6063	\$103,389,003	\$2,440,632	56.8829
Harper Woods	Wayne	13,890	10.0000	Fire	\$199,071,442	\$1,990,714				
			10.0000	Police/Public Safety		\$1,990,714	24.6903	\$212,987,042	\$5,258,714	44.6903
Melvindale	Wayne	10,432	10.0000	Fire/Police/EMS	\$153,098,620	\$1,530,986	23.2892	\$202,647,818	\$4,719,506	33.2892
River Rouge	Wayne	7,559	8.0000	Police/Public Safety	\$81,133,538	\$649,068	23.9816	\$191,218,968	\$4,585,737	31.9816

Notes: Taxable value for property taxes includes real and tangible personal; taxable value for special assessments includes real only. Debt millages are not included in total property tax levy

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