

Now You Know: Planning a Millage Question

- Catherine Mullhaupt, Staff Attorney
- Michigan Townships Association
- January 2023

1

1

Ad Valorem Property Taxes

ad valorem: Latin for “according to value”

ad valorem tax: A tax imposed proportionally on the value of something (esp. real property), rather than on its quantity or some other measure:

‘[A]n ad valorem tax is a tax of a fixed proportion of the value of the property with respect to which the tax is assessed, and requires the intervention of assessors or appraisers to estimate the value of such property before the amount due from each taxpayer can be determined.’

(71 Am. Jur. 2d *State and Local Taxation* Sec. 20, at 355, 1973)”

Black’s Law Dictionary, Seventh Ed. 1999

2

2

What is a “Mill” Anyway?

“Property tax rates are expressed in mills. A mill is one-tenth of a cent (\$0.001) or one-thousandth of a dollar.

A tax rate of one mill raises \$1 per \$1,000 of taxable value.”

Property Tax Millage Limitations in Michigan by Elizabeth Pratt, Fiscal Analyst, Senate Fiscal Agency, State Notes, TOPICS OF LEGISLATIVE INTEREST, Spring 2016



3

3

Property Tax Valuation of Property

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 3

- The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operating purposes. **[Uniformity Clause]**
- The legislature shall provide for the determination of true cash value of such property; the proportion of true cash value at which such property shall be uniformly assessed, which shall not, after January 1, 1966, exceed 50 percent; and for a system of equalization of assessments. **[Assessed Value]**

4

4

Headlee and Tax Limitations

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Richard Headlee



Richard Headlee was a devout Mormon who was born in Iowa and grew up and went to school in Utah, where he died in 2004 at 74, surrounded by a large and loving family.



6

6

Headlee and Tax Limitations

- Headlee Amendment (1978)
- Proposal A (1994)

7

7

Headlee and Tax Limitations

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 3

- For taxes levied in 1995 and each year thereafter, the legislature shall provide that the taxable value of each parcel of property adjusted for additions and losses, shall not increase each year by more than the increase in the immediately preceding year in the general price level, as defined in section 33 of this article, or 5 percent, whichever is less until ownership of the parcel of property is transferred. **[Taxable Value--Capped]**
- When ownership of the parcel of property is transferred as defined by law, the parcel shall be assessed at the applicable proportion of current true cash value. **[Uncapping on Transfer]**

8

8

Headlee and Tax Limitations

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 6

- Except as otherwise provided in this constitution, the total amount of general ad valorem taxes imposed upon real and tangible personal property for all purposes in any one year shall not exceed 15 mills on each dollar of the assessed valuation of property as finally equalized. **[15-mill tax limitation--allocated]**
- Under procedures provided by law, which shall guarantee the right of initiative, separate tax limitations for any county and for the townships and for school districts therein, the aggregate of which shall not exceed 18 mills on each dollar of such valuation, may be adopted and thereafter altered by the vote of a majority of the qualified electors of such county voting thereon, in lieu of the limitation hereinbefore established. **[Voted 18-mill tax limitation--allocated]**
- These limitations may be increased to an aggregate of not to exceed 50 mills on each dollar of valuation, for a period of not to exceed 20 years at any one time, if approved by a majority of the electors, qualified under Section 6 of Article II of this constitution, voting on the question. **[Extra-voted millages limited to 20 years]**

9

9

Headlee and Tax Limitations

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 6

- The foregoing limitations shall not apply to taxes imposed for the payment of principal and interest on bonds approved by the electors or other evidences of indebtedness approved by the electors or for the payment of assessments or contract obligations in anticipation of which bonds are issued approved by the electors, which taxes may be imposed without limitation as to rate or amount; **[Tax rate and time limitations do not apply to debt obligations—no rollback]**
- or, subject to the provisions of Section 25 through 34 of this article, to taxes imposed for any other purpose by any city, village, charter county, charter township, charter authority or other authority, the tax limitations of which are provided by charter or by general law. **[Charter Townships not included in these limitations]**

10

10

Headlee and Tax Limitations

The tax rate, or millage, is the number of tax dollars the taxpayer must pay for each \$1,000 of taxable value. This rate varies by local unit, but certain statewide constitutional and statutory restrictions exist. The rate may not exceed 15 mills (\$15 per \$1,000), split between a taxpayer's county, township, and school districts, except in counties in which voters have approved rates of up to 18 mills.

Michigan Taxpayer Guide 2017, Michigan Department of Treasury:
<http://www.legislature.mi.gov/documents/Publications/TaxpayerGuide2017.pdf>

11

11

Headlee and Tax Limitations

Excluded from the 15- and 18-mill limitations:

- **Debt service taxes** for all debts of local units approved by the electorate;
- For general law counties, townships and school districts, **extra-voted millage rates up to 50 mills not to exceed 20 years**; and
- Taxes imposed by those units having tax limitations provided by charter or general law (cities, villages, **charter townships**, charter counties, community colleges, intermediate school districts (for special education and vocational education mills only) and other charter authorities).

Michigan Taxpayer Guide 2017, Michigan Department of Treasury:
<http://www.legislature.mi.gov/documents/Publications/TaxpayerGuide2017.pdf>

12

12

Headlee and Tax Limitations

Excluded from the 15- and 18-mill limitations:

- **Taxes specifically excluded by statute:**
 - **Example: MCL 38.559:** Except in municipalities that are subject to the 15 mill tax limitation as provided by section 6 of article IX of the state constitution of 1963, the amount required by taxation to meet the appropriations to be made by municipalities under this act shall be in addition to any tax limitation imposed upon tax rates in those municipalities by charter provisions or by state law subject to section 25 of article IX of the state constitution of 1963. **[Fire Fighters and Police Officers Retirement Act, Public Act 345 of 1937]**

13

13

Property Taxes Must Be Voted

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 25.

- Property taxes and other local taxes and state taxation and spending may not be increased above the limitations specified herein without direct voter approval. **[Taxes must be voted]**
- The state is prohibited from requiring any new or expanded activities by local governments without full state financing, from reducing the proportion of state spending in the form of aid to local governments, or from shifting the tax burden to local government. **[“Headlee Mandate”]**
- A provision for emergency conditions is established and the repayment of voter approved bonded indebtedness is guaranteed.
- Implementation of this section is specified in Sections 26 through 34, inclusive, of this Article. **[Headlee amendment provisions]**

14

14

Property Tax Increases Must Be Voted

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 31.

- **[Eff. Dec. 23, 1978]** Units of Local Government are hereby prohibited from levying any tax not authorized by law or charter when this section is ratified or from increasing the rate of an existing tax above that rate authorized by law or charter when this section is ratified, without the approval of a majority of the qualified electors of that unit of Local Government voting thereon. **[New or increased taxes must be voted]**
- If the definition of the base of an existing tax is broadened, the maximum authorized rate of taxation on the new base in each unit of Local Government shall be reduced to yield the same estimated gross revenue as on the prior base. **[Base Tax Rate Reduction—L-4034 calculation]**

15

15

Property Tax Increases Must Be Voted

CONSTITUTION OF MICHIGAN OF 1963

Article 9, Sec. 31.

- If the assessed valuation of property as finally equalized, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the General Price Level from the previous year, the maximum authorized rate applied thereto in each unit of Local Government shall be reduced to yield the same gross revenue from existing property, adjusted for changes in the General Price Level, as could have been collected at the existing authorized rate on the prior assessed value. **[Headlee "Rollback" to account for inflation, based on US CPI]**
- The limitations of this section shall not apply to taxes imposed for the payment of principal and interest on bonds or other evidence of indebtedness or for the payment of assessments on contract obligations in anticipation of which bonds are issued which were authorized prior to the effective date of this amendment. **[These restrictions do not apply to debt obligations]**

16

16

Headlee “Rollback”



- All township allocated and extra-voted millage rates are subject to a millage reduction fraction referred to as the Headlee Amendment “rollback,” which is annually applied to a township’s maximum authorized millage rates to ensure that the total revenues raised on existing property do not increase more than the rate of inflation.
- The only exception is when a **new** millage (an increase) is approved by the voters after May 1 and levied (collected) in December of that same calendar year; that millage will be levied “intact” in that first levy.
- When the millage rate is rolled back—the number will be lower—but that does not automatically mean that the tax revenues based on that millage rate will be lower.
- Don’t focus **only** on the millage rate; do the math on what the rate will bring in based on the township’s applicable total taxable value.

17

17

Township Millages

18

18

Allocated or Charter Millage

- Every township starts every year with a “guaranteed” amount of property taxes:
 - **General Law Township:** Allocated millage
 - **Charter Township:** Charter millage
- It’s like your “pot” or starting “bank” in Monopoly!
- Subject to rollback but not to duration of years



19

19

General Law Township Allocated Millage

- A general law township is authorized to levy a minimum of **one mill** for general operating purposes. (MCL 211.211(4))
- Allocated millage is **unrestricted general operating revenue** that the township board may use for any lawful purpose.
- Allocated to townships in one of two ways:

1) Allocated by Fixed (“pegged”) Millage Established by Vote of the Electors:

The allocated millage (separate tax limitation) may be established by the electors, up to an 18-mill limit. The ballot question for this vote is submitted by the county board of commissioners to the county clerk for a countywide ballot (MCLs 211.204a to 211.205I)

20

20

General Law Township Allocated Millage

- A general law township is authorized to levy a minimum of **one mill** for general operating purposes. (MCL 211.211(4))
- Allocated millage is **unrestricted general operating revenue** that the township board may use for any lawful purpose.
- Allocated to townships in one of two ways:

2) Allocated by County Allocation Board:

A county allocation board establishes allocated tax rates up to a 15-mill limit. As of 2003, 10 counties had allocation boards. (MCLs 211.208 to 211.217a)

21

21

Charter Township “Charter Millage”

- **“Charter Millage”**: MCL 42.27 authorizes a charter township board to annually provide for a levy of taxes upon real and personal property that cannot exceed 5 mills. The township board may choose to automatically levy up to the first 5 mills (“charter millage”) without additional voter approval, and without limit in the number of years.
- **“Extra-Voted Millage”**: The township may then levy up to five additional mills (for a maximum of 10 mills), but only by voter approval and limited to 20 years. (MCL 42.27)
- Distinguish “charter millage” from extra-voted millage levied by a charter township. “Charter millage” is similar to general law township allocated millage—no specific term of years.

22

22

Charter Township “Charter Millage” *

- Following the 1978 Headlee Amendment, Attorney General Opinion 6285 of 1985 stated: “[C]harter townships incorporated after December 22, 1978, ... by final resolution of the township board and without an approving vote of the township's electors, are prohibited from levying millage at a charter township rate higher than the township's previously authorized millage limitation as a general law township.”
- Based on AGO 6285, MTA Legal Counsel took a “conservative” approach to avoid exposing a township to the risk of litigation and advised that a charter township that incorporated after 1978 by board resolution (not election) has the authority to levy only the total authorized millage rate it had as a general law township when it incorporated (subject to rollbacks) for its authorized charter millage.

23

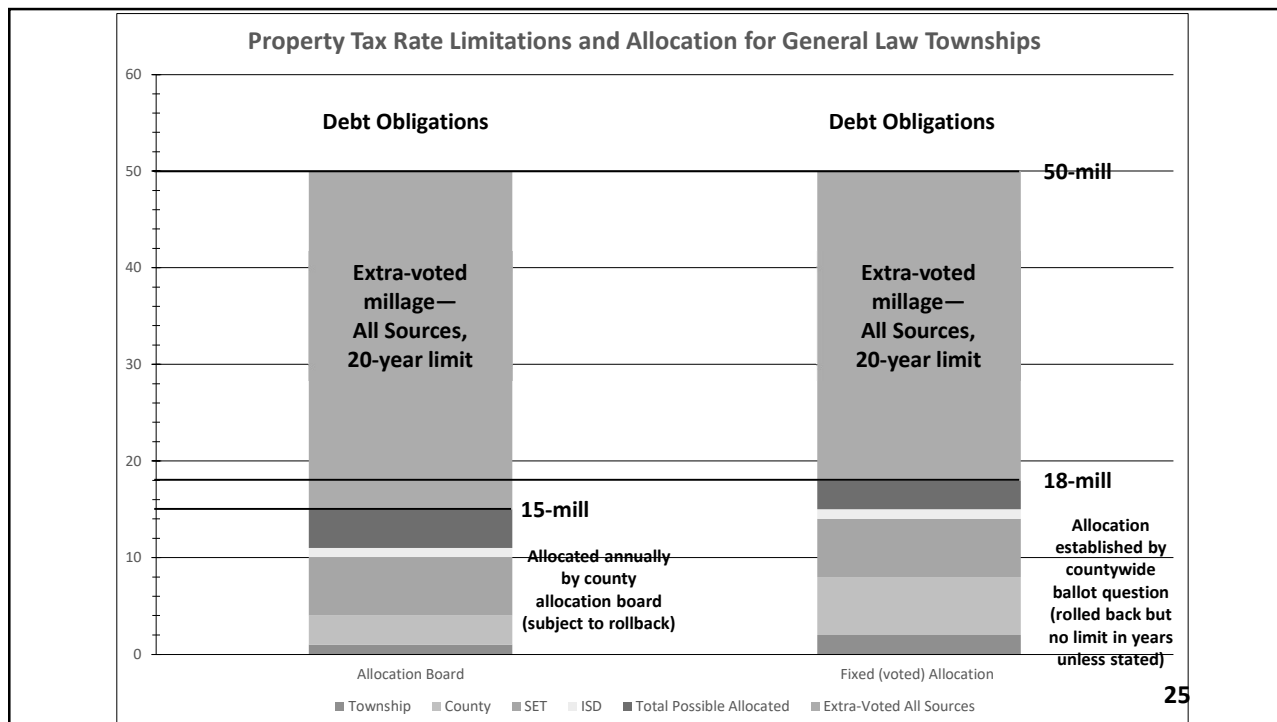
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Charter Township “Charter Millage” *

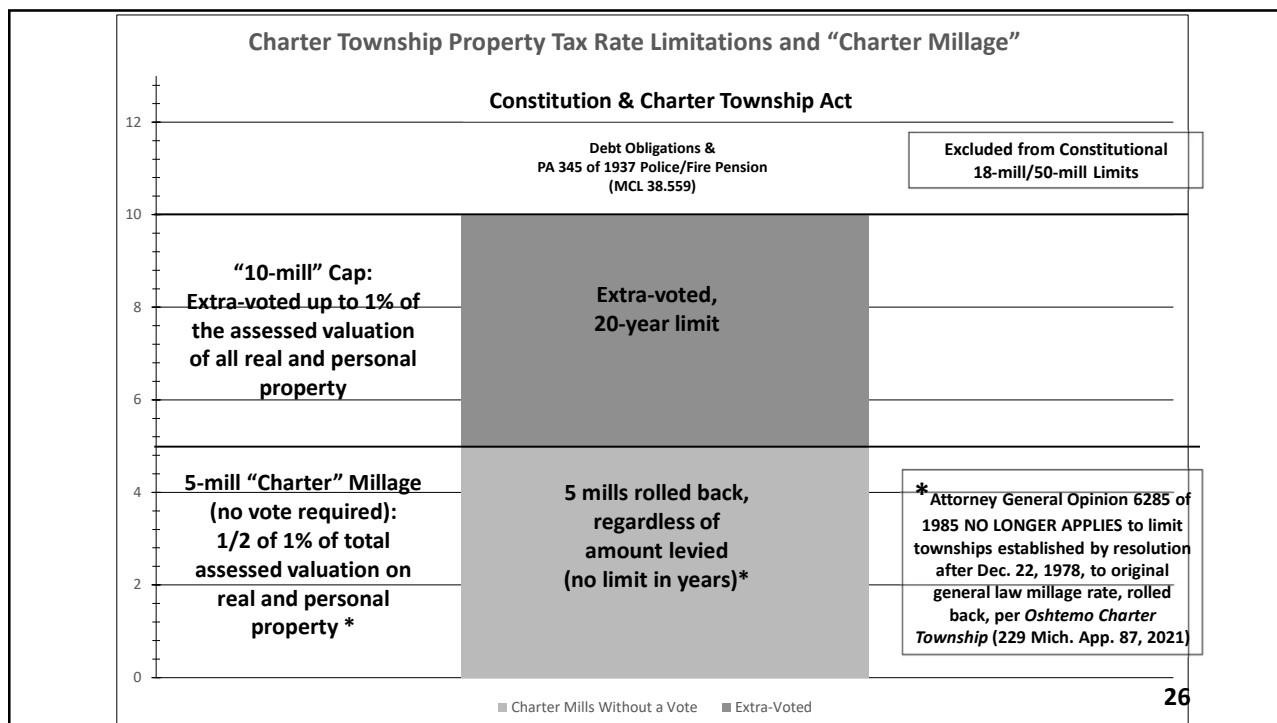
- **But the Charter Act does not specifically require this restriction.**
- Since that opinion, the Michigan Supreme Court has held in *American Axle and Manufacturing, Inc. v Hamtramck*, 461 Mich 352, p.357 (2000), “that the Headlee exemption of taxes authorized by law when the section was ratified permits the levying of previously authorized taxes even where they were not being levied at the time Headlee was ratified and even though the circumstances making the tax or rate applicable did not exist before that date.”
- *Oshtemo Charter Township v. Kalamazoo County and Kalamazoo County Road Commission*, ___ Mich. App. ___ (For publication, decided Sept. 30, 2021, Docket No. 355634)—In this MTA Legal Defense Fund case, the Court of Appeals upheld MTA Legal Counsel’s position that a charter township is not limited in the charter millage it can levy based on when or how the township became a charter township.
- Section 31 of the Headlee Amendment states that “Units of Local Government are hereby prohibited from levying any tax *not authorized by law* or charter when this section is ratified or from increasing the rate of an existing tax above that rate authorized by law or charter when this section is ratified, without the approval of a majority of the qualified electors of that unit of Local Government voting thereon.” [Const 1963, Art 9, § 31. *Emphasis added*]

24

24



25



26

Extra-voted Millage

Everything over current rolled-back allocated or charter millage must be approved by the electors voting on a ballot question at an election*

*Always exceptions

27

27

Extra-voted Millage: Exceptions

CONSULT YOUR ATTORNEY FIRST!!!

Exceptions to requirement for voter approval:

- Judgment levies
- Special assessment bonds
- A tax authorized by law or charter before Dec. 23, 1978 may be levied at the rate authorized by law or charter before Dec. 23, 1978 (even if not actually being levied then) (Article 9, Sec. 31, American Axle)
 - Still subject to 15- or 18-mill tax limitation.

28

28

Extra-voted Millage: Roads Exception

- A tax authorized by law or charter before Dec. 23, 1978 may be levied at the rate authorized by law or charter before Dec. 23, 1978 (even if not actually being levied then) (Article 9, Sec. 31, [American Axle](#))
- **CONSULT YOUR ATTORNEY FIRST!!!**
 - **MCL 247.670:** Notwithstanding any other provisions of this act the township board of any township may also levy a property tax of not to exceed 3 mills on each dollar of assessed valuation of the township in any year for the maintenance or improvement of county roads within the township or for the widening of state trunk line highways, as aforesaid, without submitting the question to the electors of said township, and pay any sum so raised into the county road fund of the county for the aforesaid purposes pursuant to an agreement with the county road commission... [State Trunkline Highway System Act, Public Act 51 of 1951]

29

29

Millage Ballot Questions

30

30

Millage Questions: Art or Science?

Art, Science or Argument* ... ?

- Township Attorney
- Equalization Department Staff
- County Commission
- Voters

* "Argument" ... You decide!

1. An exchange of diverging or opposite views, typically a heated or angry one.
2. A reason or set of reasons given with the aim of persuading others that an action or idea is right or wrong.

31

31

Millage Questions: Legal Counsel Review

Drafting Millage Question Language

- It is a legal document
- There are many statutory variables that may affect your township's specific millage question options, tax limitations, and required legal language
- It has legal consequences
- Could be challenged by county, so...
- **Ballot Question Language needs to be reviewed by township attorney**

32

32

County Review

- **MCL 211.37 [Excerpt]:** “The [county board of commissioners], at a session held not later than October 31 in each year, shall also examine all certificates, statements, papers, and records submitted to it, showing the money to be raised in the several townships for school, highway, drain, township, and other purposes.
- It shall hear and consider all objections made to raising that money by any taxpayer affected.
- If it appears to the board that any certificate, statement, paper, or record is not properly certified or is in any way defective, or that any proceeding to authorize the raising of the money has not been had or is in any way imperfect, the board shall verify the same, and if the certificate, statement, paper, record, or proceeding can then be corrected, supplied, or had, the board shall authorize and require the defects or omissions of proceedings to be corrected, supplied, or had.
- The board may refer any or all the certificates, statements, papers, records, and proceedings to the prosecuting attorney, who shall investigate and without delay report in writing his or her opinion to the board.
- The board shall direct that the money proposed to be raised for township, school, highway, drain, and all other purposes authorized by law shall be spread upon the assessment roll of the proper townships, wards, and cities.

33

33

Taxpayer “Headlee Challenge”

CONSTITUTION OF MICHIGAN OF 1963 Article 9, Sec. 32.

- Any taxpayer of the state shall have standing to bring suit in the Michigan State Court of Appeals to enforce the provisions of Sections 25 through 31, inclusive, of this Article and, if the suit is sustained, shall receive from the applicable unit of government his costs incurred in maintaining such suit.

34

34

When to Schedule a Millage Question

- Election
 - Right up to the “last minute”
- Avoid a Gap
- Approving “Early”—Penalty?
- Getting Your First Year (Ever) “Intact” (New/Increase ONLY)

35

35

When to Schedule a Millage Question

- **Election**
 - Right up to the “last minute”
 - A millage ballot question may be placed on ANY election ballot, starting with February, May, August, up through the November election.

36

36

When to Schedule a Millage Question

- **Election: Right up to the “last minute”**

Know how many years you want the millage to be levied—or what year you want the millage to come up for renewal and be sure the ballot language agrees.

For example, let’s say our sample 2-mill property tax is an initial millage (increase) approved for five years at an election in August 2022. It would be levied for the first time in December 2022. Count each December tax collection after that until you’ve counted five total collections.

Dec. 2022	Dec. 2023	Dec. 2024	Dec. 2025	Dec. 2026
2.0000	1.9598	1.9327	1.9100	1.8949

This millage would expire (be levied for the last time) with the December 2026 tax collection. The proper time to place a question to renew the millage on the ballot is in the calendar year following its last levy. This millage expires after the December 2026 tax collection.

To be renewed, it should be approved at an election no later than November 2027. If approved, the renewed millage is levied for the first time as part of the December 2027 tax collection, and there is no gap or overlap between the last year of the expiring millage and the first year of the renewed millage.

Year 2, Dec. '23	Year 3, Dec. '24	Year 4, Dec. '25	Expires Dec. '26	Year 1, Dec. '27
1.9598	1.9327	1.9100	1.8949	1.8949*

(If on the ballot before the rollback for that year is known, use the last rollback rate in the question. Actual levy is subject to the rollback rate for that tax year.)

37

37

When to Schedule a Millage Question

- **Avoid a Gap:**

- This millage would expire (be levied for the last time) with the December 2026 tax collection.

Year 2, Dec. '23	Year 3, Dec. '24	Year 4, Dec. '25	Expires Dec. '26	Year 1, Dec. '27
1.9598	1.9327	1.9100	1.8949	1.8949*

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- To be renewed, it should be approved at an election no later than November 2027. If approved, the renewed millage is levied for the first time as part of the December 2027 tax collection, and there is no gap or overlap between the last year of the expiring millage and the first year of the renewed millage.

38

38

When to Schedule a Millage Question

- **Approving “Early”—Penalty?**

- If a millage is **renewed** “early” (in any year prior to the year in which it expires), it is subject to the Headlee rollback for each year between its approval and expiration, regardless of whether it is actually levied. (Attorney General Opinion 7193 of 2006)
- If a millage is approved and **actually levied** before a previous millage expires, then two millages will be collected, both subject to the rollback.

39

39

When to Schedule a Millage Question

- **Getting Your First Year (Ever) “Intact” (New/Increase ONLY)**

- As state before, a millage ballot question may be placed on ANY election ballot, starting with February, May, August, up through the November election.
- **But to be levied “intact”** (without a Headlee Rollback) in its first year, a new millage (an increase) must be approved at an election held between May 1 (MCL 211.34d(9)) up through the first Tuesday after the first Monday in November. (MCL 211.36(4))

40

40

2021 TAX RATE REQUEST This form must be completed and submitted on or before September 30, 2021
MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

County: ALLEGAN 2021 Taxable Value: 98,777,880

Local Government Unit: HOPKINS TOWNSHIP

You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec. 211.119. The following tax rates have been authorized for levy on the 2021 tax roll.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Source	Purpose of Millage	Date of Election	Original Millage Authorized by Election, Charter, etc.	2020 Millage Rate Permanently Reduced by MCL 211.344 "Headline"	2021 Current Year "Headline" Millage Reduction Fraction	2021 Millage Rate Permanently Reduced by MCL 211.344 "Headline"	Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	Maximum allowable Millage Rate*	Millage Requested to be Levied July 1	Millage Requested to be Levied Dec. 1	Expiration Date of Millage Authorized
ALLOCATED	OPERATING	11/3/2020	1.0700	1.0700	0.9861	1.0551	1.0000	1.0551		1.0551	UNLIMITED
EXTRA VOTED	FIRE EQUIPMENT	8/7/2018	1.0000	0.9781	0.9861	0.9645	1.0000	0.9645	0.1000	0.1000	12/31/2023
EXTRA VOTED	ROADS	8/4/2020	2.0000	2.0000	0.9861	1.9722	1.0000	1.9722		1.9722	12/31/2024
Total Authorized (exclude debt)									3.9918	3.1273	

Prepared by: Matthew Woolford MMAO Co-Sign - Verified by: [Signature] Title: EQUALIZATION DIRECTOR Date-CEB: 5/12/2021

As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary, to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34, and for LOCAL school districts which levy a Supplemental (Held Harmless) Millage, MCL 380.121(3).

Local School district Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2008 for instructions on completing this section.

Clerk
 Secretary
 Chairperson
 President

Signatures: [Signature] Type Name: Eric Alberda Date: 7-12-21
[Signature] Type Name: Mark Evans Date: 7-12-21

*Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate HOPowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operation levy which is larger than the basic tax rate but not larger than the rate in column 9.
** IMPORTANT: See enclosed instructions for the correct method of calculating the millage rate in column (5).

41

Millage Proposal Language (Required)

MCL 211.24f: The ballot shall state all of the following:

- The **millage rate** to be authorized.
- The **estimated amount of revenue** that will be collected in the first year that the millage is authorized and levied.
- The **duration** of the millage in years.
- A clear statement of the **purpose** for the millage.
- A clear statement indicating whether the proposed millage is a **renewal** of a previously authorized millage or the authorization of a new additional millage [**an increase**].

42

42

Millage Proposal Language (Required)

MCL 211.24f: The ballot shall fully disclose each local unit of government to which the revenue from that millage will be disbursed.

To comply with MCL 211.24f(1), if applicable, add the following language at the asterisk (*) in any of the sample ballot questions:

Where the millage will be disbursed to a specific unit or units, include that unit by name:

- "... of which a portion will be disbursed to the _____ Downtown Development Authority."

Where the millage may be disbursed to multiple units or units under an agreement or contract subject to change, the following broad, additional language could be used as follows:

- "... of which a portion will be disbursed to such other or fewer local units of government as the Township Board determines appropriate."

43

43

General Law Township Millage

Initial Question for Extra-Voted Millage (Increase)

- Shall _____ Township impose an increase of up to ___ mills (\$___ per \$1,000 of taxable value) in the tax limitations imposed under Article IX, Sec. 6 of the Michigan Constitution and levy it for ___ (*number of years of levy*) years, 20__ through 20__ inclusive, for (*general township operating purposes or insert language identifying specified purpose*), which ___-mills increase will raise an estimated \$_____ in the first year the millage is levied*?

44

44

Millage Proposal: Renewal (“True”)

- **ALL VOTED MILLAGES ARE INCREASES.**
- The law just allows you to call certain types of millage questions a “renewal.”
- A “true” renewal picks up where the millage left off on the last tax bill before it expired.
- It does NOT go back to the original millage rate.

45

45

Millage Proposal: Renewal (“True”)

- **Renewal Question for Extra-Voted Millage (Renewal)**
- Shall the expired previous voted increase in the tax limitations imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of _____ mills (\$__ per \$1,000 of taxable value), reduced to _____ mills (\$__ per \$1,000 of taxable value) by the required millage rollbacks, be renewed at up to _____ mills (*must be the same number as the reduced mills--identical to the rate levied in the immediately preceding year--or a lesser amount*) (\$__ per \$1,000 of taxable value) and levied for _____ (*number of years of levy*) years, 20__ through 20__ inclusive, for (*general township operating purposes or insert language identifying specified purposes*), raising an estimated \$_____ in the first year the millage is levied*.

46

46

Millage Proposal: Renewal and Increase

Going Back to the Original Amount

- Often referred to as a “Headlee Override”
- A taxing unit that levies millage under this act shall not submit a single question to the electors of the taxing unit requesting both the renewal of voter authorized millage and the authorization of new additional millage **if the additional millage is greater than 0.5 mill. ...**
- So if the additional millage is not greater than 0.5 mill, it may be done in a single question. (MCL 211.24f)

47

47

Millage Proposal: Renewal and Increase

Renewal and Increase where increase is .5 mills or less

One question may be used and called a “Renewal”:

Shall the expired previous voted increase in the tax limitations imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of _____ mills (\$__ per \$1,000 of taxable value), reduced to _____ mills (\$__ per \$1,000 of taxable value) by the required millage rollbacks, be renewed at and increased up to the original voted _____ mills (\$__ per \$1,000 of taxable value) and levied for _____ (*number of years of levy*) years, 20__ through 20__ inclusive, for (*general township operating purposes or insert language identifying specified purposes*), raising an estimated \$_____ in the first year the millage is levied*.

48

48

Millage Proposal: Renewal and Increase

Renewal and Increase where increase is more than .5 mills

Two Questions Required:

- A taxing unit that levies millage under this act **shall not** submit a single question to the electors of the taxing unit requesting both the renewal of voter authorized millage and the authorization of new additional millage **if the additional millage is greater than 0.5 mill.**
- If authorization to levy millage has expired and the taxing unit submits to the electors the authorization of millage greater than the number of expired mills reduced pursuant to the millage reduction in section 34d(11), and if the additional millage is greater than 0.5 mill, the taxing unit shall submit 1 question for authorization of the number of expired mills reduced pursuant to the millage reduction in section 34d(11) and 1 or more additional questions for the authorization of millage in excess of that amount. (MCL 211.24f)

49

49

Millage Proposal: Renewal and Increase

Increase is over .5 mills (2 questions required):

Renewal

1. Shall the expired previous voted increase in the tax limitations imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of _____ mills (\$__ per \$1,000 of taxable value), reduced to _____ mills (\$__ per \$1,000 of taxable value) by the required millage rollbacks, be renewed by up to _____ mills (*must be the same number as the reduced mills--identical to the rate levied in the immediately preceding year--or a lesser amount*) (\$__ per \$1,000 of taxable value) and levied for _____ (*number of years of levy*) years, 20__ through 20__ inclusive, for (*general township operating purposes or insert language identifying specified purposes*), raising an estimated \$ _____ in the first year the millage is levied*

Increase

2. Shall the expired previous voted increase in the tax limitations imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of _____ mills (\$__ per \$1,000 of taxable value), reduced to _____ mills (\$__ per \$1,000 of taxable value) by the required millage rollbacks, be increased by up to _____ mills (\$__ per \$1,000 of taxable value) to recover that millage reduction and levied for _____ (*number of years of levy*) years, 20__ through 20__ inclusive, for (*general township operating purposes or insert language identifying specified purposes*), which _____-mills increase will raise an estimated \$ _____ in the first year the millage is levied*.

50

50

Charter Township: Additional “Charter Millage”

To offset the Headlee rollback of “charter millage”--not limited in duration of years

Increase

Shall the authorized charter millage for the Charter Township of _____, established at ___ mills (\$___ per \$1,000 of taxable value) and reduced to ___ mills (\$___ per \$1,000 of taxable value) by the required millage rollbacks, be increased by up to ___ mills (\$___ per \$1,000 taxable value) to the original authorized charter rate to recover that millage reduction, which ___-mills increase will raise an estimated \$_____ in the first year the millage is levied*.

51

51

Charter Township Extra-Voted Millage

To authorize new, additional millage beyond the “charter millage”

Note: *When a charter township goes to the voters for approval of additional millage, the township must identify a purpose in the ballot language—it may be for general operating or a specific purpose (which will restrict that millage to that purpose).*

Increase

Shall the Charter Township of _____ impose an increase of up to ___ mills (\$___ per \$1,000 of taxable value) in the charter township tax levy limitation imposed under MCL 42.27 and levy it for ___ (number of years of levy up to 20 years) years, 20__ through 20__ inclusive, for (insert language identifying specified purpose, including general operating), which ___-mills increase will raise an estimated \$_____ in the first year the millage is levied*.

52

52