



Tax Tribunal Legislation

Administrative & Municipal Practice Group

Foster Swift Municipal Law News

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Earlier this month, the Governor signed into law a series of bills (Public Acts 125-129 of 2008), the purpose of which is to improve the efficiency, accessibility and effectiveness of the Michigan Tax Tribunal.

Of particular interest to our municipal clients is the establishment of a mediation process at the Tribunal. The Tribunal would establish specific requirements for mediators as well as a certification process. Although mediation would not be binding on the parties, it is anticipated that mediation will lead to increased resolution of Tax Tribunal appeals, ultimately resulting in substantial litigation cost savings to municipalities.

The Act also make changes to the composition of the Tax Tribunal and to the Small Claims Division. Of the seven members of the Tribunal, two must be attorneys, one must be a level 4 assessor, one must be a certified real estate appraiser and one must be a certified public accountant. All of the members of the Tribunal (excluding the level 4 assessor) must have at least five years experience in state or local tax matters. The rules regarding small claims appeals are broadened to encourage greater use of the small claims process, including certain increases in the amounts in dispute that may be brought to small claims, the increased use of telephonic hearings, and an improved administrative review process of small claims decisions.

PRACTICE AREAS

Property Tax