



## **2019-2020 PROPOSED FINANCE PLATFORM**

### **REVENUE SHARING**

#### **MAC supports:**

- Full funding and, at a minimum, inflationary increases in county revenue sharing.
- All efforts to protect county revenue sharing either through a constitutional amendment or a restricted revenue account.
- The state fully and promptly honoring its obligation to restore revenue sharing to counties as revenue sharing reserve Funds are exhausted.
- The elimination of the County Incentive Program, provided those funds go back into the county revenue sharing distribution formula.
- The establishment in statute the definition of full funding for county revenue sharing to include inflationary increases every year.

### **TAX CAPTURE DISTRICTS, ABATEMENTS AND EXEMPTIONS**

#### **MAC supports:**

- State laws and policies to require that whenever an abatement, exemption or capture of county property taxes is contemplated, counties have the authority to determine if an abatement, exemption or capture of county taxes shall be allowed — in whole, in part or not at all.
- State laws and policies that provide for a county to have a seat on an economic development board or equivalent authority of a tax-capture unit, if the capture of county taxes is allowed.
- Legislation that moves toward resetting pre-1994 tax-capture district baselines and allows counties the discretion to opt in or out of a tax-increment financing district.
- State laws and policies that prohibit tax-capture authorities and economic development boards from using captured revenues to fund normal municipal services on an ongoing basis; this prohibition would not include funding for enhanced municipal services during an event or festival.
- Legislation that prohibits tax-capture districts from capturing the revenue from extra voted millages.

### **PAYMENTS-IN-LIEU-OF-TAXES (PILT) and the COMMERCIAL FORESTRY ACT (CFA)**

#### **MAC supports:**

- Uninterrupted inflationary increases to county PILT and CFA payments.
- County veto power over new state land acquisitions, if the county has more than 40 percent of its land owned by the state and/or federal government.

## **STATE AND LOCAL FUNDING FOR LOCAL SERVICES**

### **MAC supports:**

- Full state funding for any county-mandated services enacted by the Legislature or rule changes adopted by state departments or agencies.
- State laws and policies that give authority to counties to set all non-mandated fees and charges for county services at rates that allow the full recovery of costs.
- Return-on-investment (ROI) analyses when creating new or expanding existing programs.

### **MAC opposes:**

- Any legislation that reduces state funding to counties, without a corresponding reduction in mandated services.

## **911 SURCHARGE**

### **MAC supports:**

- Legislation that requires telecommunication providers to annually report funding collected from 911 surcharges levied on all telecommunication devices.
- Legislation that enables counties to audit 911 surcharge collections by telecommunication providers that mirrors the current ability to audit lodging tax collections by hotels and motels.

## **SALES TAX**

### **MAC supports:**

- The state of Michigan entering reciprocating compacts with other states for the collection of sales tax revenues generated by interstate, catalog and internet purchases.
- State laws that grant public entities an exemption from sales tax for capital improvements and infrastructure projects.
- The codification of the Wayfair decision that requires that out-of-state sellers collect sales tax and remit it to the state.

### **MAC opposes:**

- State laws and policies that reduce state sales tax revenue, without fully reimbursing local units of government for the effect that those losses have on revenue sharing.

## **NATURAL RESOURCE DEPLETION/SEVERANCE TAX**

### **MAC supports:**

- Implementation of the severance/resource depletion tax and impact-fee legislation that returns a portion of the revenue generated back to the local communities of origin in which the mining or oil and gas drilling occurred.

## **MANUFACTURED HOUSING ON LEASED LANDS**

### **MAC supports:**

- revision of the Michigan tax code applicable to these products and/or their communities to ensure they pay an equitable share of the cost of services provided by local governments and schools.

## **PROPERTY TAXES**

### **MAC supports:**

- State laws and policies that allow local units of government, without a vote of the people, to restore the operating millage rate to the previous year's rate in years in which the property revenue increase was less than the rate of inflation.
- Altering PA 206 to allow the millage reduction fraction to exceed one (1).
- Changes that would remove uncapped property sales from the millage reduction calculation when determining yearly rollbacks.

### **MAC opposes:**

- State laws and policies that reduce local property tax revenue, without fully reimbursing local units of government for the effect that those losses have on local revenue.
- Legislation that requires the payment to property owners of all net proceeds from a tax foreclosure.

## **TAX ASSESSMENT**

### **MAC supports:**

- A state policy of sharing the costs of expenses when tax assessments on large parcels are challenged in court.
- Legislation that requires the Michigan Tax Tribunal to consider all three appraisal methods and to prohibit the use of deed restrictions in determining value.

## **PERSONAL PROPERTY TAX**

### **MAC supports:**

- The distribution of all use tax dollars allocated for local reimbursement, so long as the excess is distributed in a fashion that dedicates that revenue to counties and local units that provide the most services.
- Legislation that requires reimbursement attributable to losses to dedicated millages to go back to those dedicated revenue accounts.
- A policy that reimbursements exceeding 100 percent of losses should go to the local unit's general fund, not to the funds of other millages.

## **PROPERTY TAX EXEMPTIONS**

### **MAC supports:**

- Legislation that will address court decisions expanding property tax exemptions to private businesses due to the charitable nature of the business.

### **MAC opposes:**

- Legislation that expands property tax exemptions, unless the state provides for full reimbursement of resulting revenue losses to local units of government.