

Taxation (Chapter 10 of the Caro Charter)

Section 1 – Power to Tax

In order to carry out the purposes, powers, and duties of the city government, established by this charter, and subject to state law where applicable, the city may assess, levy, and collect ad valorem taxes, rents, tolls, and excise taxes.

Section 2 – Subject of Taxation

- (a) Exclusive of any levies authorized by state law to be made beyond charter tax rate limitations, the annual ad valorem tax levy shall not exceed seventeen and one-half (17.5) mils of the taxable value of all real and personal property in the city. Of the seventeen and one-half (17.5) mils, 12.5 shall be dedicated to general operating and 5 to streets.
- (b) The subjects of ad valorem taxation for municipal purposes shall be the same as for state, county, school and other taxing entities under the state law.
- (c) Except as otherwise provided by this charter, city taxes shall be assessed, levied, collected, and returned in the manner provided by state law.

Section 3 – Tax Day

Subject to the exceptions provided or permitted by state law, the taxable status of persons and property shall be determined as of December 31, or such other date as may subsequently be required by state law, which shall be deemed the tax day. Values on the assessment roll shall be determined according to the facts existing on the tax day for the year for which such roll is made, and no change in the status or location of any such property after that day shall be considered by the City Assessor or the Board of Review.

Section 4 – Jeopardy Assessments

If the City Treasurer finds or reasonably believes that any person, who is, or may be, liable for taxes upon personal property, the taxable situs of which was in the city on tax day, intends to depart or has departed from the city; or to remove or has removed therefrom personal property; which is, or may be, liable for taxation; or to conceal or conceals their person or their property; or does any other act tending to prejudice, or to render wholly or partly ineffectual, the proceedings to collect such tax, unless proceedings therefore be brought without delay, the City Treasurer shall proceed to collect the same as a jeopardy assessment in the manner provided by state law.

Section 5 – Assessment

The City Assessor shall annually place a value, in accordance with state law, upon all property, both real and personal, in the city, which is subject to taxation. Such valuation of property shall be in accordance with established assessment rules, techniques, and procedures. The council shall provide for the maintenance of the records and facilities of the office of the City Assessor.

Section 6 – Assessment Roll

- (a) Prior to the date of the first meeting of the Board of Review in each year, the City Assessor shall prepare and certify an assessment roll of all property in the city, in the manner and form provided in the general tax law of the State of Michigan. Such roll may be divided into volumes that the City Assessor shall identify by number, for the purpose of convenience in handling the assessment roll and for locating properties assessed therein. The attachment of any certificate or warrant required by this Article to any volumes of the roll, either as an assessment roll or as a tax roll, shall constitute the attachment thereof to the entire roll, provided the several volumes are identified in such certificate or warrant. Values of property set forth on the assessment roll shall be determined according to recognized methods of systematic assessment.
- (b) The City Assessor shall give notice by first class mail to each owner of property on the assessment roll. The notice shall be addressed to the owner according to the records of the City Assessor's office and mailed not less than fourteen (14) days before the date of the convening of the Board of Review. Neither the failure of the City Assessor to give notice nor the failure of a person to receive notice shall invalidate any assessment roll or any assessment thereon.

Section 7 - Board of Review

- (a) A Board of Review is hereby created and composed of three (3) members who shall have the following qualifications: A member shall be a registered elector of the city, and shall have been a resident of the city for at least one (1) year immediately prior to the date of appointment. The appointment of members of such Board shall be based upon their knowledge and experience in property valuation.
- (b) The members of the Board of Review shall be appointed by the council and may be removed for reasons of nonfeasance or misfeasance by a majority vote of the council. The first such Board of Review appointed by the council under the provisions of this charter shall be made up of three (3) qualified members appointed for two (2), three (3), and four (4) year terms. Thereafter, when terms expire, the council shall appoint a member for a three (3) year term at the first regular council meeting in January of each succeeding year or as part of the Council's Adoption of the Resolution of Organizational Matters, whichever comes first. Upon a vacancy due to resignation or otherwise, the council shall appoint a member to fill the remainder of the vacant term. The council shall fix the compensation of the members of the Board.
- (c) An annual organizational meeting of the Board of Review shall be held on the first Tuesday following the first Monday in March to select one (1) of its members as chairperson for the ensuing year, to review the assessment roll and to examine the guidelines and practices followed in preparing the assessment roll. The City Assessor shall be the secretary of the Board, and shall be entitled to be heard at its sessions, but shall have no vote on any proposition or question.

- (d) Being elected to an office of the city while serving as a member of the Board of Review shall constitute a resignation from the Board of Review.

Section 8 – Duties and Functions of Board of Review

- (a) The members of the Board of Review shall be officers of the city and shall take the oath of office, which shall be filed with the City Clerk.
- (b) For the purpose of revising and correcting assessments, the Board of Review shall have the powers and perform duties, in all respects as given by state law.
- (c) At the time, and in the manner provided in the following section, the Board of Review shall hear the complaints of all persons considering themselves aggrieved by assessments. If it shall appear that any person or property has been wrongfully assessed or omitted from the roll, the Board of Review shall correct the roll in such manner as it deems just. In all cases, the assessment roll shall be reviewed according to the facts existing on the most recent tax day.
- (d) Except as otherwise provided by state law, no person other than the Board of Review shall make any change upon, or addition or correction to, the assessment roll.
- (e) The City Assessor shall make a permanent record of all proceedings of the Board of Review and enter therein all its resolutions and decisions. Such record shall be filed with the City Clerk on or before the first day of May following the meeting of the Board of Review.

Section 9 – Notice of Meeting

Notice of the time and location of the sessions of the Board of Review shall be published by the City Assessor in a newspaper having general circulation in the city at least one (1) week prior to each session of the Board and printed on the assessment notice sent as described in Section 6b of this charter.

Section 10 – Meetings; Examination of Persons Appearing

The Board of Review shall meet in two (2) sessions in each year at such place as shall be designated by the council. The first session of the Board shall convene on the first Tuesday after the first Monday in March of each year and may continue in session for three (3) days and as much longer as may be necessary for the purpose of considering and correcting the roll. In each case where the assessed value is increased or any property added to the rolls by the Board, the secretary of the Board shall give notice to the owners thereof according to the last assessment roll of the city by first class mail as prescribed by statute. The second session of the Board shall convene on the second Monday of March of each year, however, the City Council may authorize, by adoption of an ordinance or resolution, an alternative starting date of either the Tuesday or Wednesday following the second Monday of March. The Board of Review shall continue in

session for one (1) day and as much longer as may be necessary for the purpose of hearing appeals of property assessments. The Board shall remain in session during such hours as the council may designate and as required by state law.

Section 11 – Certification of Roll

After the Board of Review has completed its review of the assessment roll, the majority of its members shall sign a certificate to the effect that the same is the assessment roll of the city for the year in which it has been prepared, as approved by the Board of Review, which certificate, when attached to any volume of the roll, shall constitute a conclusive presumption of the validity of the entire roll.

Section 12 – Validity of Assessment Roll

Upon the certification by the Board of Review the assessment roll, and from and after midnight ending the last day of the meeting of the Board of Review, shall be the assessment roll of the city for county, school and city taxes, and for other taxes on real and personal property that may be authorized by state law. It shall be presumed by all courts and tribunals to be valid, and shall not be set aside, except for cause set forth by state law.

Section 13 – Clerk to Certify Levy

Within three (3) days after the adoption of the budget for the ensuing year, the City Clerk shall certify to the City Assessor the total amount which the council determines shall be raised by general taxation, together with such other assessments and lawful charges and amount which the county and other taxing authorities shall authorize or require to be assessed, reassessed, or charged upon the city tax roll against property or persons.

Section 14 – City Tax Roll

After the Board of Review has completed its review of the assessment roll, the City Assessor shall prepare a tax roll, to be known as the “City Tax Roll.” Upon receiving the certification of the several amounts to be raised, assessed, and charged for city taxes, as provided in the preceding section, the City Assessor shall proceed forthwith to:

- (a) Spread the amounts of the general city tax according to and in proportion to the several valuations set forth in said assessment roll;
- (b) Place such other assessments and charges upon the roll as are required and authorized by the council; and
- (c) Complete other said tasks as required by state law.

Section 15 – Tax Roll Certified for Collection

After extending the taxes and placing other assessments and charges upon the roll, the City Assessor shall certify said tax roll and attach the City Assessor’s warrant by the tenth day of June in each year, directing and requiring the City Treasurer to collect from the several persons named in said roll the several sums mentioned therein opposite their respective names as a tax or

assessment, and granting the City Treasurer for the purpose of collecting the taxes, assessments, and charges of such roll, all the power and immunities possessed by City Treasurers for the collection of taxes under the general laws of the state.

Section 16 – Liens

All taxes thus assessed shall become a debt due the city as provided by state law and, as of the first day of July of the year of assessment, the said taxes with any applicable charges, fees or penalties shall become a lien upon the property against which they are assessed until paid.

Section 17 – Tax Payment Dates

City taxes shall be due and payable on the first day of July each year and be delinquent after September 15. Other property taxes as permitted by state law shall be due December 1 and be delinquent after February 28. Unpaid tax assessment charges and penalties shall be turned over for collection by March 1 as provided by statute.

Section 18 – Tax Due – Notification Thereof

The City Treasurer shall not be required to make personal demand for the payment of taxes, but, upon receipt of the city tax roll, shall, forthwith, give notice to the taxpayers of the city by forwarding a tax statement to each person named in the tax roll, which mailed statement shall be a sufficient demand for the payment of all taxes assessed. Neither the failure on the part of the City Treasurer to mail such statement nor the failure of any person to receive the same, shall invalidate the taxes on the tax roll or release any person or property assessed from the liabilities provided in this charter in case of nonpayment.

Section 19 – Tax Payment Schedule

The council shall provide by ordinance, for a tax payment schedule and the amount of collection charges, penalties and interest to be added to taxes, charges, and assessments on the city tax roll. When so added, such collection charges, penalties and interest shall be treated in all respects as an item of taxes and collected as such. Any collection charges, penalties and interest shall be collectable in the same manner as taxes, assessments, and charges to which they are added.

Section 20 – Failure or Refusal to Pay Personal Property Tax

If any person shall neglect or refuse to pay any tax on personal property assessed to such person, the City Treasurer shall collect the same by seizing any personal property of such person, to an amount sufficient to pay such tax, together with any charges and interest added thereto, wherever the same may be found in the State of Michigan. No property shall be exempt from such seizure. The City Treasurer may sell the property seized, at an amount sufficient to pay the taxes and all charges, fees, penalties, and interest, in accordance with statutory provisions. The City Treasurer may also sue the person to whom a personal property is assessed, in accordance with the powers granted by state law.

Section 21 – State, County and School Taxes

For the purpose of assessing and collecting taxes for state, county and school purposes, the city shall have the powers enumerated by the General Property Tax Act, and all provisions of state law relative to the collection of, and accounting for, such taxes and the penalties and interest thereon shall apply. For the purpose of collecting state, county, and school taxes, the City Treasurer shall perform the same duties and have the same powers as enumerated by the General Property Tax Act.

Section 22 – Protection of City Lien

The city shall have the power, insofar as the exercise thereof shall not conflict with or contravene the provisions of state law, to acquire such interest in any premises within the city, by purchase at any tax or other public sale, or by direct purchase from or negotiation with the State of Michigan or the owner, as may be necessary to assure to the city the collection of its taxes, special assessments, charges and any interest thereon which are levied against any lot or parcel of real property or to protect the lien of the city therefore, and may hold, lease, or sell the same. Any such procedure exercised by the city to assure the collection of its taxes or the protection of its tax or other liens shall be deemed to be for a public purpose. The council may adopt any ordinance, which may be reasonably necessary to make this section effective.

Section 23 – Tax Roll to County Treasurer

All taxes, special assessments, charges, and collection fees, on the city tax roll which remain unpaid on the first day of March following the date when said roll was received by the City Treasurer shall, on that date, become delinquent and shall be returned to the County Treasurer at the time and in the same manner and with like effects as returns by City Treasurers of school and county taxes.

Such returns shall be made upon a delinquent tax roll to be prepared by the City Treasurer and shall include all the additional charges which shall, in such return, be added to the amount assessed in said tax roll against each description. The taxes, assessments, charges, and fees, thus returned shall be collected in the same manner as taxes returned to the County Treasurer are collected under the provisions of the general laws of the State of Michigan and shall be and remain a lien upon the lands against which they are assessed until paid.

Section 24 – City Income Tax

No City income tax shall be levied without an approving vote of a majority of city electors voting thereon at a special or city election or as otherwise permitted by state law.