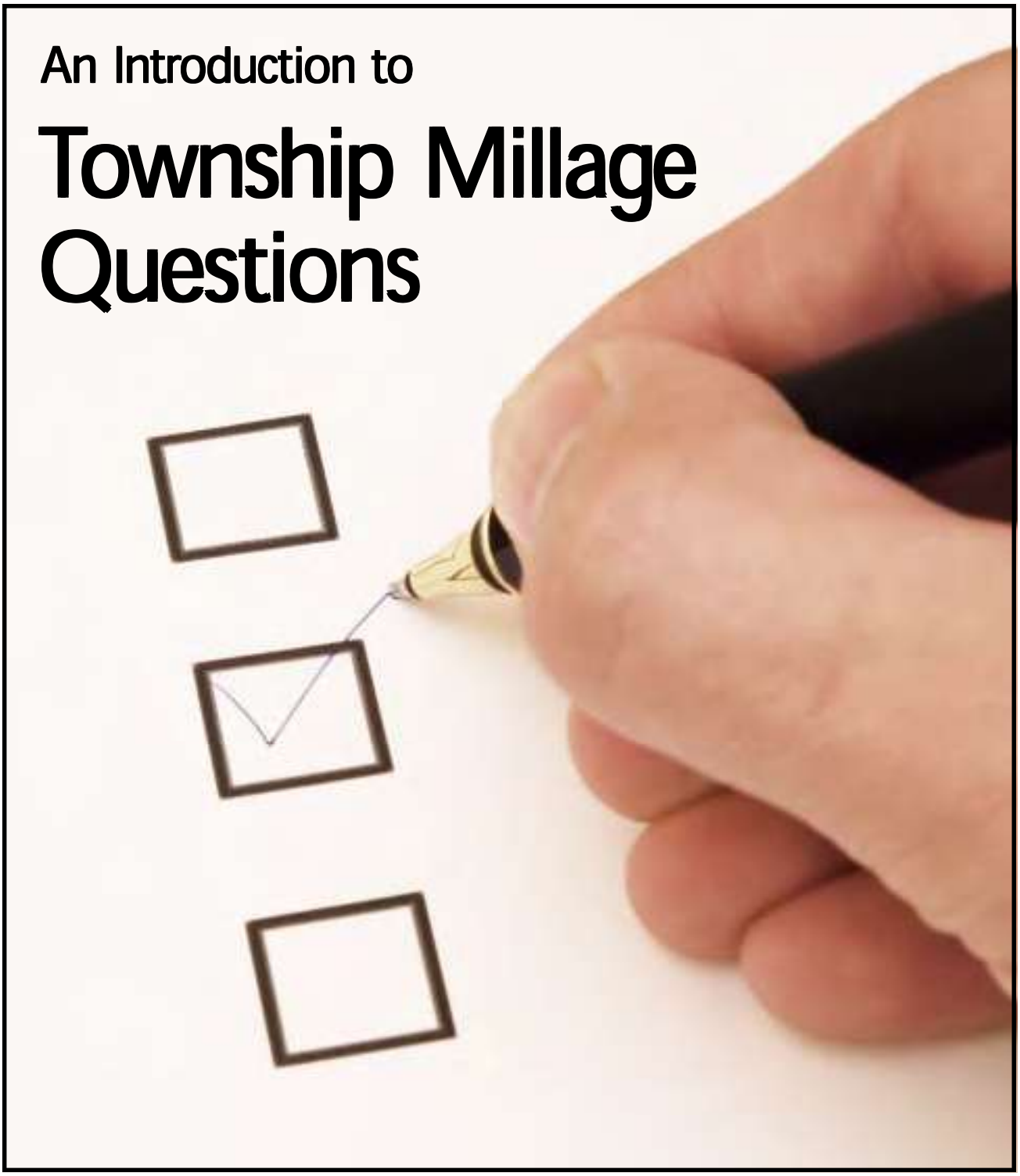
An Introduction to

Township Millage Questions



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This Michigan Townships Association packet was prepared by MTA Staff and MTA Legal Counsel for informational purposes. The sample language provided is not intended as legal advice, and townships are urged to consult with their local legal counsel to ensure that any ballot language used is appropriate to the individual township's specific needs and circumstances.

Getting Started—Some Ground Rules

To choose the correct sample millage ballot language, a township board must understand its options.

1. Is the township a general law or charter township?

General law townships and charter townships must take different approaches to property taxes:

General Law Townships

Allocated Millage (General Operating)
A general law township is authorized to levy a minimum of one mill for general operating purposes. (MCL 211.211(4))

This minimum general operating millage is allocated to townships by the county allocation process in one of two ways by the Property Tax Limitation Act, Public Act 62 of 1933, MCL 211.201, *et seq.*:

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, according to MCL 211.205g.) As of 2003, 73 Michigan counties had fixed allocated millages. (MCLs 211.204a to 211.205l)

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)

Charter townships and school districts are not included in allocated millage.

Allocated millage is **unrestricted general operating revenue** that the township board may use for any lawful purpose.

Extra-Voted Millage
The electors must vote to approve any extra millage over and above the allocated millage before a township may levy that additional millage. (MCL 211.203) This includes any additional general operating millage or any millage voted for a **specific purpose**, such as emergency medical services, recreation, or roads.

A general law township is limited in how much millage it can levy of the 50-mill limit on all property taxes (excluding debt service millage) levied within the township by any taxing entity. (Article 9, Section 6, Michigan Constitution of 1963)

The revenues raised by an extra-voted millage for **specific purpose(s)** are restricted and may be used only for the purpose(s) listed in the ballot question that the voters approved. So it is very important that the ballot language include any use(s) intended for those revenues. (MCL 211.24f)

Charter Townships

A charter township does not receive allocated millage. (Article 9, Section 6, Michigan Constitution of 1963) All charter townships may levy up to 10 mills, determined on assessed value (not counting debt service millage). The Charter Township Act does not require a charter township to levy any or all of the additional mills available to it under the Act. (MCL 42.27)

There are two schools of thought on when a charter township must go to the voters for millage approval.

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. 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)

But following the 1978 Headlee Amendment, Attorney General Opinion 6285 of 1985 stated: "[C]harter townships incorporated after December 22, 1978, the effective date [the Headlee Amendment], 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 have taken 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. The township can levy additional mills only by voter approval, up to the maximum 10 mills.

However, it needs to be noted that the Charter Act does not specifically require this restriction, and other municipal attorneys have questioned the reasoning in AGO 6285. (*Note that Attorney General opinions are not binding on townships.*)

Since that opinion, the Michigan Supreme Court has held, in the case of *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."

The *American Axle* opinion calls into question the continued validity of restricting a charter township that incorporated by resolution to a charter millage levy of less than 5 mills (i.e. original allocated rolled back millage). ***A charter township board that incorporated by resolution after 1978 that is considering exercising the automatic authority to levy should consult with its attorney for specific legal guidance.***

2. Be sure you intend to levy a property tax.

Property taxes are approved, collected, and increased under one set of rules. Special assessments are not property taxes, and they are established, collected, and increased under different sets of rules. Fees, such as for garbage collection, are established, collected, and increased under yet another set of rules.

	Township Property Tax	Special Assessment PA 188 of 1954 Public Improvements	Special Assessment PA 33 of 1951 Police / Fire / or Emergency Services	Fee
When Collected	December	Annually, at any time	December tax bill	At any time (annually, monthly, as service is provided)
Life Span	20 years maximum, except allocated, charter millage, or debt	No limit	No limit, except substantial capital expenditures are limited to 15 years (See 261 Mich. App. 308)	No limit
Subject Property	Real and Personal	Real Property ONLY on which the public improvement confers a special benefit	Real Property ONLY; may be township-wide)	Property or persons served.
Exempt Property	Property exempt from taxation under the General Property Tax Act	Personal Property / (also any Real Property on which a benefit is not conferred)	Property exempt from property taxes is exempt from PA 33 special assessment [MCL 41.801(3)] (including facility--but not land--subject to PA 198 industrial facilities tax MCL211.7k)	No exemptions
Apportioned By	Uniform tax rate based on Taxable Value of assessed property	The cost of the special benefit conferred by the public improvement, proportionate to benefit to property	Ad valorem millage rate based on Taxable Value of Real Property ONLY	Portion or entire cost of service to that property/ user, reasonably related to actual, incremental costs
Subject to 15/18 or 50-mill limit?	Yes	No	No, except for 10-mill maximum for capital improvements	No
Subject to Headlee rollback?	Yes	No	No	No
Voter approval to establish or renew?	Yes	No	Yes, upon petition of owners of 10% or more of land	No
Voter approval to increase?	Yes	No	No	No
Property Tax Admin. Fee?	Yes	No	No	No

NOTE: Special assessments under Public Act 33 of 1951, or other special assessment acts, even though township-wide and based upon a millage rate, are not controlled by the 15- or 50-mill tax limitations. These special assessments are annually renewed by holding a public hearing on the estimated annual costs and the amount to be levied to cover all or any portion of such costs, preceded by the appropriate notices required by the special assessment acts. (See the specific act, and Public Act 162 of 1962, MCL 211.741, *et seq*.)

An ad valorem special assessment (such as a special assessment under Public Act 33 of 1951) levied on property after December 31, 1998, shall be levied on the property's **taxable value** as determined under MCL 211.44c. These special assessments can only be levied on real property not exempt from taxation.

3. Understand the Headlee rollback

All township 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.

(*Note that millage revenues are subject to other potential reductions in the equalization process, but the Headlee rollback is automatically applied by operation of law.*)

In practice, this means that a new millage with a rate of 2 mills will be "rolled back" (reduced) to less than two mills in the second year it is levied, and rolled back again in the third year it is levied—experiencing a rollback for every subsequent year it is levied until it expires.

For example:

Levy Year 1	Levy Year 2	Levy Year 3	Levy Year 4	Levy Year 5
2.0000	1.9598	1.9327	1.9100	1.8949

The Headlee rollback affects the type of millage language that can be used:

Increase

Technically, every millage question is an "increase." To understand this concept, imagine a rubber band around your wrist. This represents the township's current allocated millage. Pulling the band away from your wrist represents any additional millage. Millage over and above the township's allocated millage has a "life span" of no more than 20 years. When the millage expires, the rubber band snaps back to your wrist.

To illustrate the effect of the Headlee rollback, imagine pulling the band away from your wrist to represent a 1-mill property tax. Then lower the band a little bit. That represents the first annual rollback. Lower the band a second time to represent the next annual rollback. Over time, the rubber band will be much closer to your wrist, and it will snap back to your wrist when it expires.

Renewal

So what does a "renewal" look like in our example? According to the law, a property tax increase may be called a "renewal" when it is approved at the same or lower millage rate the previous millage was at ***when it expired.*** Let's say a township had a 2-mill road millage for five years. With the annual rollbacks, the road millage rate was at 1.8755 in the last year the millage was levied. If the township wants to use a renewal ballot question—and label the millage as a "renewal"—it must ask the voters to approve the road millage at 1.8755. (**Note:** Under MCL 211.34d(11), if the election occurs before June 1, the millage reduction is based on the immediately preceding year's millage reduction applicable to that millage. If the election occurs after May 31 of a year, the millage reduction shall be based on that year's millage reduction applicable to that millage had it not expired.)

So, pull out the rubber band for the initial millage, lower it a few times to represent the rollbacks, let it snap back to show the millage expiring—and then pull the band out only as far as it was before you let it snap back. That's a renewal.

Offsetting the Headlee rollback

Wait a minute, ... what about getting back to the full 2 mills again? That is possible, just not as a renewal.

A township board can get back to the original millage rate of a property tax in two ways:

1) **Increase:** After a property tax expires, a township can simply place on the ballot a proposal for the same millage rate and purpose(s) as the initial or "original" tax. But the township cannot label the proposal a "renewal" of the previous millage. **OR**

2) **Renewal plus increase:** After a property tax expires, a township can seek voter approval of a renewal of the tax (at the rate it was at when it expired), AND seek voter approval of an increase that represents the difference between the renewal rate and the original rate.

If the increase is .5 mills or less, the renewal and increase can be combined in one question. It is the opinion of MTA Legal Counsel that this combined millage ballot question may be called a "renewal."

If the increase is over .5 mills, the renewal and increase must be presented as two separate ballot questions.

4. When should a millage proposal be put on the ballot?

There are several factors a township board should consider in determining when to place a millage proposal on the ballot:

A. Know where the millage is in its "life span." When does it expire?
A millage (other than allocated millage) can be approved for a "life span" (duration) of a minimum of one year up to a maximum of 20 years. The ballot proposal must state the duration of the millage in years. (MCL 211.24f)

A township millage can be levied (certified for collection) and collected only on the December property tax bill. If a millage question says the millage will be levied "for five years, 2019 through 2023, exclusive," then the millage will be collected in December 2019, December 2020 ... and so on, through the December 2023 tax collection.

Be careful! The language "2019 through 2023, inclusive" is NOT for four years! Don't subtract the years to determine the number of collections. Tip: Count each year in the sequence on a finger—2019, 2020, 2021, 2022, and 2023—to correctly count the five years the millage will be collected. A four-year millage starting in 2019 would end in 2022.

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 2024. It would be levied for the first time in December 2024. Count each December tax collection after that until you've counted five total collections. This millage would expire (be levied for the last time) with the December 2028 tax collection.

Dec. 2024	Dec. 2025	Dec. 2026	Dec. 2027	Dec. 2028
2.0000	1.9598	1.9327	1.9100	1.8949

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 2028 tax collection. To be renewed, it should be approved at an election no later than November 2029. If it is approved, the renewed millage is levied for the first time as part of the December 2029 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. '25	**Year 3, Dec. '26**	**Year 4, Dec. '27**	**Expires Dec. '28**	**Year 1, Dec. '29**
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.)*

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.

If a millage expires and there is a gap of one or more years before a millage to replace it is approved and levied, then the new millage cannot be a renewal or a renewal plus increase; it can only be an increase.

B. Will the board prefer one election <u>date</u> to another? With consolidated elections, there are at least four "regular" election dates available in any calendar year. 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))

C. Will the board prefer one election <u>year</u> to another? Different township boards may have different "theories" about when a millage has the best chance for approval.

All township offices come up for election in even-numbered years. All elected township officials serve the same four-year township term, and vacancies that occur in the first part of the term are filled at the "mid-term" primary and general election held in the even-numbered year two years after the term begins. (All township offices will be elected in the 2024 primary and general election—also a presidential election; vacancies in township offices in the first "half" of that term will be filled at the 2026 mid-term primary and general election—a gubernatorial election.)

The establishment of consolidated election dates has increased the likelihood of three to four elections being held in any given year.

Whether a board prefers even-numbered years to odd-numbered years, or vice versa, the important thing to remember is that:

> If a millage expires (will be levied for the last time) in an odd-numbered year, it will go on the ballot for renewal at an election in an even-numbered year.
>
> If a millage expires (will be levied for the last time) in an even-numbered year, it will go on the ballot for renewal at an election in an odd-numbered year.

D. "It's not over 'til it's over!" A millage proposal may be placed on the November election ballot, and if it's approved, it the county board of commissioners must meet to certify that millage in time to levy it on the December tax bill. (MCL 211.36(4))

E. How many times can a township put millage proposals on the ballot? Under MCL 211.24f, a township can take millage proposals to the electors twice in one calendar year. A township may place as many millage questions as it wishes on the ballots for those two elections. If a township has put millage questions on the May ballot, it can still put millage questions on either the August or November ballot.

5. How does a millage ballot question get on the ballot?

To place a millage proposal on a ballot, the township board must adopt by roll call vote a resolution stating the ballot language and indicating the board's intention to place it before the voters on a specified election date (MCL 211.24e). See the sample resolution on page 15.

Millage proposals cannot be placed on a ballot by citizen petition (except for a petition for a tax for a free public library (MCL 397.210)). [*Citizens may petition for a referendum on establishing a special assessment district for police or fire protection under Public Act 33 of 1951 (MCL 41.801, et seq.), but that ballot question is not a property tax proposal, even though the special assessment is apportioned by millage rate.*]

What information must a millage proposal include?
According to MCL 211.24f, a millage ballot proposal must include the following:

1. The extra-voted millage amount in dollars per thousand dollars of taxable value. For example, a fire protection millage of 2 mills (the millage amount) equals $2 for every $1,000 of taxable value. A property with a taxable value of $50,000 would be taxed $100 for the millage.

2. The purpose for the millage. The taxes raised by the millage are restricted funds that may be used only for the purpose(s) listed in the ballot language. The more specific the language used, the more restricted the uses for the revenues raised. For example, if the purpose is "to purchase fire equipment for Apex Township Fire Department," then that millage cannot be used for payroll or overhead costs of the Apex Township Fire Department, and it cannot be used to purchase equipment for another fire department. A broader purpose such as "to provide fire protection services" may include operating a fire department or contracting with another unit for fire protection.

3. The number of years that the millage will be effective. A property tax cannot exceed 20 years, but a township board may wish to use a shorter "life span." A millage is subject to rollback and will be subject to levy less and less each year. A short life span, such as three to five years, brings the levy up for renewal before it is rolled back very much. A millage can be renewed by election at its original amount upon its expiration. Short life spans also give a board flexibility to recover a rolled back millage or to not renew it.

Also, the duration of the millage determines when it will come up for renewal—and what elections the renewal question might be scheduled for.

4. The estimated revenue the township will collect in the first year of the levy. This is the township's total taxable value divided by 1,000 and multiplied by the number of mills. Using our 2-mill fire millage example, a township with a total taxable value of $67 million would state in the ballot language that it expects to levy an estimated total of $134,000 in the first year the millage is levied. A new millage (increase) approved after April 30 will not be rolled back in its first year if it is levied in that same year (MCL 211.34d(9)).

5. Whether the millage is new (an increase) or a renewal (of a previous voted increase). Technically, a renewal is also an increase, but the ballot language can say that the previous voted increase is being "renewed," instead of "increased." A millage proposal is a renewal if it **states** the **same number of mills** and the **same purpose** stated in the previous ballot proposal. Also, if there will be a gap of one or more tax years between the last collection of the previous millage and the first collection of the proposed millage, then the proposal is an increase, not a renewal. A renewal of a rollback of .5 mills or less can be a single ballot. Otherwise, two ballot questions are required.

6. Each local unit of government to which the revenue from that millage will be disbursed. MCL 211.24f(1) requires a millage ballot question to "fully disclose each local unit of government to which the revenue from that millage will be disbursed." Local unit is then defined to include "county, city, village, township, school district, intermediate school district, community college district, public library, or local authority created under state law."

MTA Legal Counsel have indicated that "the application of this requirement becomes difficult when multiple 'local units of government' may receive disbursements from the proposed millage. This is especially difficult when the millage is for a number of years within which time the recipients of any portion of the millage may change. Where millage may be captured under a tax increment financing program by an authority [such as a downtown development authority] during the period of the levy, language should be used or added which would afford flexibility in eliminating named 'local units of government' and adding currently unknown 'local units of government.' Such broad additional language could be as follows: " ... and such other or fewer local units of government as the Township Board determines appropriate."

Bond Issues

MCL 211.24f also addresses requirements for ballot proposals to issue bonds: In addition to any other requirement provided by law, when submitting a proposal to authorize the issuance of bonds, the ballot shall state all of the following: (a) The principal amount to be borrowed; (b) The maximum number of years the bonds may be outstanding, exclusive of any refunding; and (c) A clear statement of the purpose for which the proceeds of the bonds will be used.

Bond issues involve complicated procedures and require specialized expertise that is beyond the scope of this informational material. Any township considering a bond issue should consult with a bond attorney.

Campaign finance regulations apply to millage ballot questions
It is beyond the scope of this material to discuss campaign finance regulations in depth. But township officials should be aware that the use of township funds regarding a ballot question is statutorily regulated.

The Michigan Campaign Finance Act, MCL 169.201, *et seq*., regulates the use of public money for ballot questions. Under the Act, using public money to influence elections is strictly prohibited. Any committees organized to run a campaign for a ballot question must be funded with private donations. Michigan courts, Attorney General opinions, and Secretary of State interpretive statements conclude that governmental units cannot use public monies or resources to "expressly advocate" voting "yes" or "no" on a millage. Township stationery cannot be used for letters, memos, or other communications expressly advocating that voters vote "yes" or "no" on a ballot question. Campaign materials expressly advocating a "yes" or "no" vote cannot posted on township property.

MCL 41.110c authorizes townships to appropriate money or expend funds to maintain and circulate a publication to distribute information regarding township improvements, activities, and functions. However, the township board must take extreme caution that the information presented does not expressly advocate that voters vote to approve a millage or other ballot proposal.

No public or governmental employee may promote an opinion about a proposed millage during working hours (MCL 15.404). However, township officials and employees may advocate for a proposed millage on "their own time and dime." It may impress voters that officials are willing to work hard to get the millage passed.

Public Act 264 of 1995 added Section 57 (MCL 169.257) to Michigan's Campaign Finance Act to specifically prohibit a public body or anyone acting for a public body from making contributions or expenditures as defined in the Act. Effective March 28, 1996, actions that could be construed as a campaign contribution or expenditure became a felony offense, subject to a fine of up to $20,000.

How does an approved millage question get on the tax bill?

On or before September 30 of each year, the township clerk must deliver to the supervisor and county clerk a certified copy of all statements and certificates on file (Form L-4029 for each tax levying entity) and all records of any vote or resolution authorizing or directing money to be raised in the township by taxation for any purpose, along with a statement of the aggregate amount to be raised.

In September, the township board must authorize the millage amount it will levy that December and report it to the county board of commissioners on the Form L-4029.

The township clerk and supervisor must sign a Millage Request Report to the County Board of Commissioners (Form L-4029) and submit it to the county clerk and equalization department on or before October 1.

The supervisor delivers the tax roll and warrant to the township treasurer on or before December 1.

How does a millage question approved at a November election get on the December tax bill?

If a millage election is held at the November election, and the millage passes, it will be certified and levied on the December tax bill in that same year. (MCL 211.36(4))

Within five days after any election that includes a township millage proposal, a certified copy of the official election results must be filed with the county treasurer. (MCL 211.203)

Where the millage election is held in November, it still may be submitted to the county for levy in that year because MCL 211.36(4) requires the county board of commissioners to meet to amend the L-4029. See page 21 for a copy of Form L-4029.

SAMPLE RESOLUTION TO ADOPT MILLAGE BALLOT LANGUAGE

_____ Township, _____ County
Resolution Number _____

WHEREAS, the Township Board of _____ Township wishes to provide (*indicate purpose of millage*)___; and

WHEREAS, townships may provide ____(*indicate purpose of millage*)___, as authorized by Public Act ____ of _____, MCL _____ (*indicate the statute that authorizes a township to do the purpose of the millage*); and

(***Optional:*** *May use the following if the township will use the millage to contract/ cooperate with other entities*: WHEREAS, townships may contract and cooperate with other entities to provide (*indicate purpose of millage*)___, as authorized by the Michigan Constitution of 1963 and other laws; and)

WHEREAS, townships may impose and levy ad valorem property taxes to finance lawful public services, as authorized by the Michigan Constitution of 1963 and other laws; and

WHEREAS, the Township Board of _____ Township wishes to levy ___ mills to _____(*indicate purpose of millage*)___;

NOW, THEREFORE, BE IT RESOLVED that the Township Board of _____ Township, _____ County, approves the following millage ballot question language and directs the Clerk to submit it to be placed on the _____, 20__, election ballot:

(insert ballot language)

Motion made by _____. Seconded by _____.

Upon roll call vote the following voted
"Aye": _____ "No": _____
(list names of members voting "Aye") *(list names of members voting "No")*

The Supervisor declared the resolution adopted.

_____
_____(*name*)_____, Clerk

CERTIFICATE

I, _____, the duly elected and acting Clerk of _____ Township, hereby certify that the foregoing resolution was adopted by the Township Board by a roll call vote at a regular *(or special)* meeting of the Board held on _____, 20___, at which meeting a quorum was present; and that this resolution was ordered to take immediate effect.

_____(*name*)_____, Clerk

General Law Township
Extra-Voted Millage Language

Note: T*o 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."

Extra-Voted Millage

May be for general operating purposes or a specified purpose.

1. <u>Initial Question</u> for Extra-Voted Millage (Increase)

Shall _____ Township impose an increase of up to ___ mills ($__ per $1,000 of taxable value) in the tax limitation 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*.

[ ] Yes
[ ] No

2. <u>Renewal</u> Question for Extra-Voted Millage (Renewal)
Shall the expired previous voted increase in the tax limitation imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of ___ mills ($__ per $1,000 of taxable value), reduced to ___ mills ($__ per $1,000 of taxable value) ***[OR IF NO REDUCTION IN RATE:*** and unchanged***]*** by the required millage rollbacks, be renewed at up to ___ mills [*must be the same number as the reduced mills--identical to the rate levied in the immediately preceding year or a lesser amount per the applicable rollbacks]* ($__ per $1,000 of taxable value) and levied for ____ *[number of years of levy]* years, 20__ through 20__ inclusive, for *[same general township operating purposes or language identifying specified purposes as previous question]*, raising an estimated $_____ in the first year the millage is levied*.

[ ] Yes
[ ] No

3. <u>Renew and Increase</u> Extra-Voted Millage to Offset Headlee Rollbacks

To "renew" at the original voted millage rate.

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 $1,000 of taxable value) ***[OR IF NO REDUCTION IN RATE:*** and unchanged***]*** by the required millage rollbacks, be renewed at and increased up to the original voted ___ mills ($__ per $1,000 of taxable value) and levied for ___ *[number of years of levy]* years, 20__ through 20__ inclusive, for *[same general township operating purposes or language identifying specified purposes as previous question]*, raising an estimated $_____ in the first year the millage is levied*.

[ ] Yes
[ ] No

4. Increase is <u>over .5 mills</u> (2 questions required):

Renewal

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

[ ] Yes
[ ] No

Increase

2. Shall the expired previous voted increase in the tax limitation imposed under Article IX, Sec. 6 of the Michigan Constitution in _____ Township, of ___ mills ($__ per $1,000 of taxable value), reduced to ___ mills *[must be the "reduced to" rate in first part above]* ($__ 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 *[identical purpose as first part above]*, which ____-mills increase will raise an estimated $_____ in the first year the millage is levied*.

[ ] Yes
[ ] No

Charter Township
Millage Language

Note: *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."

Sample 1. To authorize additional millage beyond the initial 5 mills

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).*

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*.

[ ] Yes
[ ] No

Sample 2. To "offset the Headlee rollback of "charter millage"; not limited in duration of years

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 millage rate to recover that millage reduction, which ____-mills increase will raise an estimated $_____ in the first year the millage is levied*.

[ ] Yes
[ ] No

Michigan Department of Treasury
2166 (Rev. 02-24)

L-4034

2024 Millage Reduction Fraction Calculations Worksheet

Including Millage Reduction Fraction Calculations Not Specifically Assigned to the County Equalization Director by Law

County	Taxing Jurisdiction

2023 Total Taxable Value .....

Losses .....

Additions .....

2024 Total Taxable Value Based on SEV .....

2024 Total Taxable Value Based on Assessed Value (A.V.) .....

2024 Total Taxable Value Based on CEV .....

NOTE: The last two items above are only needed when it is necessary to calculate a Truth in Assessing or Truth in County Equalization Rollback Fraction.

1. Section 211.34d, MCL, "Headlee" (for each unit of local government)

$$\frac{\text{(2023 Total Taxable Value - Losses) X Inflation Rate of 1.051}}{\text{(2024 Total Taxable Value Based on SEV - Additions)}} = ____$$

2024 Millage Reduction Fraction (Headlee). Round to 4 decimal places in the conventional manner. If number exceeds 1.0000, line through and enter 1.0000.

See State Tax Commission Bulletins No. 3 of 1995 and 19 of 2002 regarding the calculation of losses and additions.

See also the Supplements to STC Bulletin No. 3 of 1995 contained in STC Bulletin No. 3 of 1997.

2a. Section 211.34, MCL, "Truth in Assessing" (for cities and townships if S.E.V. exceeds A.V. for 2024 only)

$$\frac{\text{2024 Total Taxable Value Based on Assessed Value for all Classes}}{\text{2024 Total Taxable Value Based on SEV for all Classes}} = ____$$

2024 Rollback Fraction (Truth in Assessing) Round to 4 decimal places in the conventional manner.

See State Tax Commission Bulletin 2 of 2024 for more information regarding this calculation.

2b. Section 211.34, MCL, "Truth in County Equalization" (for villages, counties and authorities if S.E.V. exceeds C.E.V. for 2024 only)

$$\frac{\text{2024 Total Taxable Value Based on CEV for all Classes}}{\text{2024 Total Taxable Value Based on SEV for all Classes}} = ____$$

2024 Rollback Fraction (Truth in County Equalization) Round to 4 decimal places in the conventional manner.

See State Tax Commission Bulletin 2 of 2024 for more information regarding this calculation.

3. Section 211.24e, MCL, "Truth in Taxation" (for each taxing jurisdiction that levied more than 1 mill for operating purposes in 2023 only).

$$\frac{\text{(2023 Total Taxable Value - Losses)}}{\text{(2024 Total Taxable Value Based on SEV - Additions)}} = ____$$

2024 Base Tax Rate Fraction (Truth in Taxation) Round to 4 decimal places in the conventional manner.

Use the same amounts for additions and losses as were used for the 211.34d ("Headlee") rollback.

NOTE: The truth in taxation BTRF is independent from the cumulative millage reductions provided by sections 211.34d and 211.34. The Base Tax Rate equals the BTRF X 2023 Operating Rate levied.

Michigan Department of Treasury
614 (Rev. 02-24)

ORIGINAL TO: County Clerk(s)
COPY TO: Equalization Department(s)
COPY TO: Each township or city clerk

L-4029

2024 Tax Rate Request (This form must be completed and submitted on or before September 30, 2024)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

Carefully read the instructions on page 2.

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes	2024 Taxable Value of ALL Properties in the Unit as of 5-28-2024
Local Government Unit Requesting Millage Levy	For LOCAL School Districts: 2024 Taxable Value excluding Principal Residence, Qualified Agricutlural, Qualified Forest, Industrial Personal and Commercial Personal Properties.

This form must be completed 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 2024 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2023 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2024 Current Year "Headlee" Millage Reduction Fraction	(7) 2024 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(8) Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	(9) Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized

Prepared by	Telephone Number	Title of Preparer	Date

CERTIFICATION: 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 (Hold Harmless) Millage, 380.1211(3).

	Signature	Print Name	Date
☐ Clerk ☐ Secretary			
☐ Chairperson ☐ President			

** 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 allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.*

**** IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2024 for instructions on completing this section.

Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag., Qualified Forest and Industrial Personal	
For Commercial Personal	
For all Other	

Getting the Word Out:
Campaign Finance Act Compliance

Township boards are often asked to take a position on issues of importance to their community. And many townships put millage or other questions on the ballot. But Section 57 of the Michigan Campaign Finance Act (MCFA) limits how a public body can use public funds or property when it comes to campaigning for ballot questions or candidates.

Here's what a township board or township board members <u>may</u> do in their official capacity:

- A township board may advocate (lobby) for or against legislation to state and federal legislators or officials. (*Hays v. City of Kalamazoo*, 316 Mich. 443, 1947)

- A board member may express his or her views in their policy-making capacity.

- A township board may produce and distribute factual information concerning issues relevant to township functions. This includes informing the "electors in a fair and objective manner of the facts surrounding an upcoming ballot proposal." (*Attorney General Opinion 6531 of 1988*)

- A township board may adopt a resolution to support or oppose a ballot question, as long as the ballot question relates to township concerns, property or government. The township cannot use township funds, property or resources to distribute such a resolution.

- A township board may allow any candidate or campaign committee to use a township facility that is already open for public use by policy, as long as any candidate or campaign committee may use the public facility.

Here's what individual board members <u>may</u> do as <u>private</u> individuals:

- Elected or appointed public officials or employees of a township may express their own personal views when they are not acting for the township, on their own personal time, expending their own personal funds, or providing their own personal volunteer services.

What a township board or board members <u>must avoid</u> doing:

- It is not lawful to use township funds, township-owned office space or other property to **expressly advocate** a vote for or against a candidate or ballot question. "Expressly advocate" means to state support for the passage or defeat of a ballot question or the election or defeat of a candidate. In other words, to say "Vote yes for" (or no) or "Support" (or defeat) a candidate or ballot question.

- A township cannot put links on its website only to sites that expressly advocate only for or against one candidate, one slate of candidates or one side of a ballot question.

This information is intended to be general information and you should always check with the township's legal counsel.

Campaign Materials on Township Property

1) On Any Day *Except* Election Day or Early Voting Days:

No campaign materials, for candidates or proposals, including leaving or circulating petitions, allowed anywhere on township property; regardless of who is holding or leaving, possible violation of Section 57 of the Campaign Finance Act.

- Members of the public do not have an absolute and unfettered right to enter and make use of a municipally owned facility.

- The township board decides what property or facilities the township will have and how they will be used. This includes determining what property or facilities will be available to the public and when and how they will be open for use—or not.

- The fact that township facilities and property are publicly owned does not mean that they are automatically open to the public. Unless the township board has authorized public access or use, access to township facilities and property is prohibited or limited as the township board directs. The only exceptions are: (1) Under the Open Meetings Act, during the open session of a meeting of a public body, when anyone may attend, and (2) on Election Day or Early Voting Days, when under the Election Law, anyone may park and/or enter the polling place for the time it takes them to vote and then leave.

- It is not lawful for township-owned office space or other property to be used to expressly advocate a vote for or against a candidate or ballot question. See **Campaign Finance webpage, Appendix I--Use of Public Facilities, Funds, Etc. Prohibited**

- Per MTA Legal Counsel, if the township board has previously authorized the public to make private use of township meeting rooms or other facilities through a written board-adopted policy of scheduling or renting space on a first-come, first-served basis, with no special treatment in providing use of the facility, then a candidate committee or petition group could schedule use of the hall, still subject to any of the prohibitions under the Election Law.

2) During *40-Day* AV Ballot Period:

No campaign materials, for candidates or proposals, including petitions or circulating petitions, regardless of who is holding or leaving, are allowed:

- In a clerk's office (including satellite offices) where voters may receive, complete, and return absent voter ballots during the 40 days prior to an election: Department of State Campaigning in Clerks' Offices During Absent Voter Ballot Issuance (includes sample notice language, October 16, 2020)

3) *On* Election Day or Early Voting Days at Polling Places *Inside* 100-foot Line:

No campaign materials, for candidates or proposals, including petitions or circulating petitions, regardless of who is holding or leaving, are allowed **inside** the 100-foot line from the entrances to the polling place building. Campaigning and campaign materials cannot be closer than 100 feet and exit pollsters cannot be closer than 20 feet to the building.

The Michigan Election Law prohibits any person from doing the following on Election Day in the polling room or a room/ compartment connected to the polling room, or within 100 feet from any entrance to the building in which the polling place is located:

- Persuading or attempting to persuade a person to vote for or against any particular candidate, party ticket or ballot question being voted on at that election.
- Placing or distributing stickers (other than stickers provided by election officials pursuant to law).
- Soliciting donations, gifts, contributions, purchase of tickets or similar demands.
- Requesting or obtaining signatures on petitions.
- Posting, displaying or distributing any material that directly or indirectly makes reference to an election, a candidate or a ballot question (other than official material required by law to be posted, displayed or distributed in a polling place on Election Day). (MCLs 168.744 and 168.744a) A person who violates MCL 168.744 or 168.744a is guilty of a misdemeanor.
- Note that these prohibitions include election officials and workers themselves. It also includes prohibiting vehicles with campaign signs or bumper stickers from parking within 100 feet of any entrance to the building (except those parked only while a person is voting).

- Under Public Act 156 of 2012, the name of any elected or appointed official of the state, township or any political subdivision cannot appear on any material that is temporarily posted, displayed, or distributed in a polling place or polling room on Election Day, including name plates, name tags or honorary plaques. (MCL 168.744a) A person who violates MCL 168.744a is guilty of a misdemeanor.

- Exit pollsters can be 20 feet away from the entrance to the polling place, but then may speak only to people who exit, not those who are entering.

4) *On* Election Day or Early Voting Days at Polling Places *Outside* 100-foot Line on Township Property:

A township may regulate campaign materials and activities on township property outside the 100-foot limit. *(If the 100-foot line crosses into private property, a private property owner can allow campaign materials on their private property as political free speech outside the 100-foot line, but NOT within the 100-foot line)*

- The Campaign Finance Act prohibits the use of public funds, property or personnel to campaign for a candidate or ballot question, even on Election Day. The 100-foot limit is a statutory compromise balancing a voter's right to enter a polling place and vote "unaccosted" and the right to political free speech; it is **not** statutory permission to use public property to campaign outside that 100-foot line.

  A township board does have authority to regulate campaign materials and activities on Election Day. As long as the policy is equally and consistently applied, regardless of the candidate or ballot question, a township board may adopt a policy that it will remove **unattended** campaign signs or other materials **from township property** outside of the 100-foot limit on Election Day. (If a person is handing out materials or holding the sign, it may be a protected exercise of political free speech.) Per MTA Legal Counsel and the Bureau of Elections a written board-adopted policy or ordinance could be used.

- A township may also regulate the use of its parking lots. A voter has a right to park his or her vehicle in a township parking lot for the period of time it takes for that person to vote, even if the vehicle has campaign signs on it. But no one has a right to park a vehicle with campaign signs on it for any longer than the person needs to be on the property to vote.