Michigan State Tax Commission

Personal Property

Frequently Asked Questions

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Common Personal Property Filing Questions:

What is "Tax Day"?

The General Property Tax Act defines "Tax Day" as December 31 of the immediately preceding year and states that the taxable status of persons and of real and personal property for a tax year shall be determined as of that day. The location, condition and attributes of assessable property and the ownership of that property for property tax assessment purposes during the subsequent tax year are determined as of Tax Day. No change in ownership, location, taxable status or condition of the assessable property after Tax Day affects either the assessment or the liability for taxation of the assessable property, except as otherwise specifically provided by statute.
Reference: Michigan Compiled Laws 211.2(2) and Michigan Compiled Laws 211.17

If I am moving my assessable personal property into Michigan for the first time, what are my obligations in reporting my personal property?

Generally, a taxpayer does not owe personal property tax in the tax year the taxpayer first places assessable personal property in Michigan. No filing is necessary in the year of placement for the reason that it had no assessable property in Michigan on the Tax Day applicable to that tax year. Instead, the taxpayer must file a personal property statement by February 20 of the first calendar year that begins after it moves assessable personal property into Michigan. However, the taxpayer should provide written notification to the assessor(s) in the assessment jurisdiction(s) where assessable personal property is situated, informing each assessor of the address of the business location in that jurisdiction, the business operating name, the legal business name, if it is different than the operating name, and the correct mailing address for notices and billings.
Reference: Michigan Compiled Laws 211.19

If I have never owned or possessed personal property in the assessment jurisdiction, or if I have removed the personal property before December 31, do I still have to file the personal property statement which the assessor sent to me?

It is wise for a taxpayer that moves all business personal property from an assessment jurisdiction to inform the assessor of that fact by written communication. The written notification should include a forwarding address. Further, it is important for a taxpayer who has received a personal property statement to complete and return the statement to the assessor who sent it by the due date, even if the Taxpayer has no property to report and even if the taxpayer believes that it has provided sufficient notification of the departure. If an assessor sends a personal property statement and it is not completed and returned by the taxpayer, the assessor is required to make an estimated assessment. A taxpayer that receives a personal property statement, but has no personal property to report should fully complete the first page of the statement, answering all questions and inserting zero ($0) in the fields designated for bringing costs forward from other pages or forms, should sign in the space indicated at the bottom of the first page, and should return the completed first page of the statement by the due date to the assessor who sent the statement.
Reference: Michigan Compiled Laws 211.22 and Michigan Compiled Laws 211.24(1)(f)

Why have I received a personal property statement from the assessor for completion relating to my installation of a wind energy system (a wind turbine) at my residence?

The Michigan Legislature has determined that wind energy systems should be assessed as personal property.
Reference: Michigan Compiled Laws 211.8(l)

If the assessor believes that a person or entity may be subject to assessment for personal property, what authority does he or she have in the absence of the filing of a personal property statement?

If a completed statement of personal property cannot be obtained from a person or entity, or if the assessor is satisfied that a statement is incorrect, the assessor may examine under oath a person having knowledge of the taxpayer's property and is authorized to make an estimated assessment in the amount that the assessor considers reasonable and just.
Reference: Michigan Compiled Laws 211.22

Where do I file my personal property statement?

Michigan uses a decentralized property tax assessment process to assess most personal property, including the personal property of wireless service providers. With several exceptions, all personal property tax assessments are made by the local city and township assessor, typically in the city or township where the property was located on Tax Day. A separate statement must be filed with each assessment jurisdiction where the taxpayer had personal property located on Tax Day. An exception to the requirement that the taxpayer must file in the city or township where the property was located on Tax Day is that "daily rental property," as defined, is assessed in the city or township in Michigan where the rental store is situated, if certain specific requirements are met. Other exceptions to local filing in the city or township where the property is located on Tax Day are railroad company personal property and railcars owned by non-railroads, personal property used in telephone company operations (except the personal property of wireless service providers) and personal property of internet service providers. These types of personal property are assessed at the State of Michigan level, by the State Tax Commission.
Reference: Michigan Compiled Laws 211.14

What is the due date for filing my personal property statement?

Persons or entities who either own or possess assessable personal property on Tax Day, or who have received a personal property statement, Form L-4175 (Treasury Form 632), from a city or township assessor, must complete and deliver the personal property statement to the local assessor by February 20 of the tax year. If February 20 is a Saturday, Sunday or legal holiday, the statement is due on the next business day after February 20. The personal property statement must be received by the assessor by the due date. A postmark is insufficient to constitute timely filing. Although assessors request earlier return of the statement, and although an early return is appreciated due to the need to complete the assessment roll by the first Monday of March, the assessor cannot require filing earlier than February 20. An exception is that a qualified business seeking to have qualified personal property assessed to the user, rather than to the qualified business, as the owner, must file by February 1.
Reference: Michigan Compiled Laws 211.19 and Michigan Compiled Laws 211.8a

Is it possible for me to get an extension on filing my personal property statement?

No, unfortunately. The assessor has no statutory authority to extend the filing deadline. Further, since the assessment roll must be completed in time for the first meeting of the March Board of Review, which in a general law township convenes on the Tuesday after the first Monday of March, an extension would prevent timely completion of the assessment roll. If a taxpayer is concerned that it lacks some of the information needed to accurately complete the personal property statement, one way to address the concern is to file based on available information and then amend the statement later, if necessary. The procedure for amending a personal property statement is discussed in the answer to Question 12 below. It should be noted, however, that if the assessor does not accept a personal property statement as filed, the determination to set the assessment in a different amount is an appraisal of the personal property and a valuation appeal must be taken to the March Board of Review and/or to the Michigan Tax Tribunal.
Reference: Michigan Compiled Laws 211.29

Where can I obtain the various forms that are used in conjunction with the personal property statement, Form L-4175 (Treasury Form 632)?

The forms are available on-line or through the local assessor. While there are several methods of finding the forms on the State of Michigan website, by searching within the Michigan Department of Treasury website, the easiest search method might be to access www.michigan.gov/taxes , and then enter the Treasury Form number in the "Search for Forms" box.

Questions Regarding the Administration of Personal Property Tax:

Is the assessor required to accept my personal property statement as I filed it?

No. The General Property Tax Act provides that an assessor making a personal property assessment shall estimate the true cash value of all the personal property of each taxpayer and that he or she is not bound to follow the statements of any person, but shall instead exercise his or her best judgment.
Reference: Michigan Compiled Laws 211.22 and Michigan Compiled Laws 211.24(1)(f)

May I contest my personal property assessment if I believe it was estimated incorrectly because I failed to file a personal property statement, or because the assessor refused to accept my personal property statement as filed?

The General Property Tax Act directs the assessor to inform the taxpayer of the amount of the personal property assessment 14 days before the meeting of the March Board of Review of the local assessment jurisdiction. The taxpayer may appear at the March Board of Review meeting to protest the assessment and can appeal to the Michigan Tax Tribunal if not satisfied with the determination made by the March Board of Review. If the assessment was estimated arising from the fact that the taxpayer did not file a timely personal property statement, the taxpayer may submit the personal property statement directly to the March Board of Review and request that the Board revise the assessment to conform with the late filing. If the taxpayer's personal property statement was received prior to the opening of the March Board of Review, and the property tax classification is utility personal, commercial personal or industrial personal, the Tax

Tribunal Act may permit an appeal directly to the Michigan Tax Tribunal without first protesting to the March Board of Review. A Michigan Tax Tribunal appeal of a personal property tax assessment typically must be filed on or before May 31 of the assessment year. If the 14 day notification of the amount of the assessment is not provided, the assessment is not invalidated, but the Michigan Tax Tribunal may consider extending the time for appeal beyond May 31.
Reference: Michigan Compiled Laws 211.24c and Michigan Compiled Laws 205.701, et. seq.

If I discover that I have filed my personal property statement incorrectly, may I amend it?

Yes, under certain circumstances, and for a limited amount of time after the assessment is made. The State Tax Commission has jurisdiction to revise a personal property assessment that is inaccurate arising from the fact that the taxpayer filed an incorrect personal property statement which was used as the basis for making the assessment. The Commission has jurisdiction to adjust the assessment for the assessment year in which the petition is received and for the two immediately preceding assessment years. This petition is filed using Form L-4155 (Treasury Form 628). Further, the July or December meetings of the local assessment jurisdiction's Board of Review currently have jurisdiction to adjust the assessment in the year that the incorrect statement was filed or in the subsequent year. The State Tax Commission and the July and December Boards of Review may not be able to correct a personal property assessment in cases where the assessor estimated the assessment.
Reference: Michigan Compiled Laws 211.154 &
http://www.michigan.gov/documents/treasury/154FAQ_293929_7.pdf

Do I have to pay all of the personal property tax billings for a tax year, even if I move all my personal property out of the assessment jurisdiction, or otherwise dispose of the property, before the end of the tax year?

Yes, Section 17 of the General Property Tax Act states that no change in ownership, location, taxable status or condition of the assessable property after Tax Day affects either the assessment, or the liability for taxation of assessable property, except as otherwise specifically provided by statute. Generally, the assessment that is made based on the Tax Day for a tax year is used for rendering the property tax billings which are sent by the local treasurer around July 1 and around December 1 of that tax year.
Reference: Michigan Compiled Laws 211.17

Method a Taxpayer Should Use to Report Personal Property on the Personal Property Statement:

If I have constructed personal property myself or if I have hired someone to construct or install personal property at my place of business, what costs must I report on my personal property statement?

The Michigan Constitution of 1963 and the General Property Tax Act require that property must be assessed based on its true cash value (currently the Act requires assessment at 50% of true cash value). The Act defines true cash value as the usual selling price at private sale at the place where the property is at the time of assessment, and that the assessor shall consider the advantages and disadvantages of location, along with the existing use of the property. Personal property which is constructed by the taxpayer, or which is constructed by a contractor under the

direction of the taxpayer, must be reported on the personal property statement at the cost that it would have been paid to acquire the same property if the taxpayer had purchased it already constructed and installed in the normal course of retail trade, even if the cost entered on the taxpayer's accounting records is different.
Reference: Michigan Compiled Laws 211.27(1) and Michigan Compiled Laws 211.27a(1).

If the cost of some or all of my personal property has been restated on my fixed asset schedule, using "purchase method," "fresh-start" or a similar accounting methodology, should I report the cost using that restated cost and acquisition year?

No, for personal property reporting purposes you must continue to report the historic cost new and acquisition year new. Personal property assessment requires a valuation of the property. The State Tax Commission's recommended valuation procedures are designed for use in conjunction with cost new and acquisition year new. The continued reporting of cost new and acquisition year new permits uniform treatment of taxpayers who own similar personal property and allows the assessor to use the State Tax Commission's recommended valuation procedures rather than appraising the property each year.
Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Page 1, Line 6, Form L-4175 (Treasury Form 632)

If I purchased personal property that was used previously by someone else, what cost and acquisition year should be used for reporting purposes?

The instructions to the personal property statement require the taxpayer to report the cost new and acquisition year new of the personal property, even if the taxpayer acquired the property already used, in a year later than the year it was originally placed in service and/or at a cost different than the cost of the personal property when it was new. If the cost new and acquisition year new are not known and are not reasonably ascertainable, the instructions provide alternative reporting requirements that are designed to provide the assessor with sufficient information to appraise the property. These alternative reporting requirements are discussed in the instructions to Page 1, Line 6 of the personal property statement, Form L-4175 (Treasury Form 632). These alternative reporting requirements must be followed exactly. The continued reporting of cost and acquisition year new permits uniform treatment of taxpayers who own similar personal property and allows the assessor to use the State Tax Commission's recommended valuation procedures rather than appraising the property. This procedure does not prevent the taxpayer from providing other data and/or documentation for the assessor to consider in making his or her valuation decision.
Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Page 1, Line 6, Form L-4175 (Treasury Form 632)

Do I have to report personal property which is in my possession on Tax Day but which I do not own and am not leasing from a personal property leasing company?

Yes, the General Property Tax Act requires a taxpayer to disclose on the personal property statement all assessable personal property that is in the taxpayer's possession or control on Tax Day, even if the property has simply been loaned, stored, deposited or otherwise left with the taxpayer. If the property is not held pursuant to a lease arrangement, it should be disclosed in Section K on page 3 of the statement, Form L-4175 (Treasury Form 632).

Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Section K, Line 3, Form L-4175 (Treasury Form 632)

If I am uncertain as to the section of the personal property statement in which I should report a given item of personal property, how do I determine the proper section in which to report?

The responsibility for correct reporting rests with the taxpayer. Most questions regarding correct categorization of items of personal property on the personal property statement can be addressed by carefully examining the instructions for the personal property statement or by examining State Tax Commission Bulletin 12 of 1999, Bulletin 1 of 2000 and Bulletin 3 of 2000. These Bulletins can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html . If a taxpayer is still uncertain, he or she should call the Michigan Department of Treasury at (517) 373-0500 or email TaxQuestions@michigan.gov . The taxpayer is not permitted to independently determine the correct reporting of items which are not listed in the instructions to the personal property statement. The categorization of personal property reported on page 2 of the personal property statement depends on the nature of the property itself, and is not based on the use of the personal property. For example, a motorized conveyor used as part of a testing process is reported as an item of machinery and equipment, in Section B, page 2, of the personal property statement, not as an item of electronic test equipment reported in Section D, page 2, of the personal property statement.

Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement labeled General Instructions to Sections A through F, Form L-4175 (Treasury Form 632)

What is personal property "construction in progress" and how should I report it on my personal property statement?

In Michigan, the concept of "construction in progress" as it is used in the assessment of personal property closely corresponds to the methodology used in financial accounting to record items of personal property in the taxpayer's fixed asset records. In financial accounting, fixed assets are recorded in the year that they are placed in service. In reporting personal property for assessment purposes, the acquisition cost of personal property is reported in the appropriate section of the personal property statement, or on the appropriate related form, in the acquisition year that the asset is actually placed in service. If an asset (including a self-constructed asset) is in the assessment jurisdiction on Tax Day, but is under construction or has not otherwise been placed in service, it is reported as "construction in progress" on line 14 of the Summary and Certification Section on page 1 of the personal property statement, Form L-4175 (Treasury Form 632). Further, in the assessment year following the year that the asset is placed in service, the asset cost must be reported as acquired in the year that the asset was placed in service, not in the year that expenditures were made to acquire the property. For purposes of reporting "construction in progress," only the expenditure incurred relating to the portion of a project that will be reported as personal property when the asset is placed in service should be reported as "construction in progress" on the personal property statement. If you are uncertain whether an item or component will be treated as personal property or as real property by the local assessor, you should consult with the assessor. Real property components of the project, if any, will be assessed separately. Further, if the cash disbursements made as of Tax Day do not reflect the actual progress that has been made as of Tax Day, the taxpayer must report costs incurred on an accrual basis.

Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Page 1, Line 13, Form L-4175 (Treasury Form 632)

If I am a contractor or an equipment leasing company that owns heavy earth moving equipment, is my equipment exempt?

No, there is no exemption of heavy earth moving equipment. There is, however, a provision in the General Property Tax Act which permits heavy earth moving equipment to continue to be treated as the exempt inventory of a merchant, despite the fact that the merchant is actively renting the equipment under specified circumstances. If the owner of the heavy earth moving equipment is not holding the equipment for sale in the regular course of retail trade (if the owner is not a dealer), then the equipment is assessable. Further, even a dealer must qualify such equipment for continued treatment as inventory by completing and filing Treasury Form 3711 and by adhering to record keeping and other requirements which are detailed in the instructions to Form 3711 and in State Tax Commission Bulletin 4 of 2001. Bulletin 4 of 2001 can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html .
Reference: Michigan Compiled Laws 211.9c

What is "daily rental property" and what are my options for reporting this equipment?

"Daily rental property" is personal property that is rented for short periods of time, to multiple customers, on a daily, weekly or monthly basis. At the election of the owner, rental personal property which has a cost new of less than $10,000 can be reported to the Michigan assessment jurisdiction in which the "daily rental property" is kept when it is not being rented. The "daily rental property" procedure is not an exemption. Instead, the procedure permits the owner of the property to file one personal property statement for most, or all, of the owner's rental property, instead of filing multiple personal property statements in all the assessment jurisdictions where the individual items of rental personal property were located on Tax Day. The taxpayer must file Treasury Form 3595 with the local assessor and must meet a number of other very specific requirements described in the instructions to Form 3595. Among other things, these requirements are designed to assure the rental property does not escape assessment and is not subjected to multiple assessments. See the instructions to Form 3595 and State Tax Commission Bulletin 5 of 1999 which can be found at: http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html .
Reference: Michigan Compiled Laws 211.8c, Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Page 1, Line 7, Form L-4175 (Treasury Form 632)

What should I do if I own an item of assessable personal property but have discontinued the process it was used in, or have otherwise taken property out of service permanently, or until it can be rebuilt?

If certain specific requirements are met, property that is not currently in service may qualify for consideration as "idle" or as "obsolete or surplus" personal property. Although the final determination of value for such property rests with the assessor, the State Tax Commission's recommended valuation procedure for personal property that is "idle" or "obsolete or surplus" results in a lower indication of value for such property than would result if the property did not qualify for such status. To report "idle" or "obsolete or surplus" personal property for such consideration, the property must be reported on Form L-4142 (Treasury Form 2698) and the cost totals carried over to Line 12 of the Summary and Certification on page 1 of the personal

property statement. Such property should not be reported elsewhere on the personal property statement.
Reference: Michigan Compiled Laws 211.19 and the Instructions to Form L-4142 (Treasury Form 2698)

What is "idle" personal property?

"Idle" personal property is personal property which is part of a discontinued process and which is stored in a separate location from the place or places where business is conducted. The full requirements are stated in the instructions to Treasury Form 2698. If a particular item of property is so large that it is impractical for it to be stored in a separate location, it may be "idle" in place, if it is disabled from use in a manner that satisfies the assessor. A process which has been temporarily suspended is not a discontinued process and the personal property used in that process does not qualify as "idle." Personal property held for use on a stand-by basis is not "idle." Equipment which is part of a process which is being actively marketed for sale to third party vendees (purchasers) as a complete process for use at the same location is not deemed to be part of a discontinued process. Only personal property normally reported on page 2 of the personal property statement (Sections A through F) may be reported as "idle." A taxpayer who believes that personal property normally reported elsewhere on the personal property statement, or on one of the forms attached to the statement, suffers impaired value due to obsolescence or otherwise, must address that issue directly with the assessor. Such property cannot be reported as "idle."
Reference: Michigan Compiled Laws 211.19 and the Instructions to Form L-4142 (Treasury Form 2698)

What is "obsolete or surplus" personal property?

"Obsolete or surplus" personal property is personal property which has been declared surplus or obsolete and is either being actively marketed for unconditional sale to third parties on Tax Day or requires rebuilding for continued economic use and is actually in the hands of a machinery rebuilding firm on Tax Day. Personal property which is being offered within a company internally to other divisions is not being actively marketed to third parties. The full requirements are stated in the instructions to Treasury Form 2698. Equipment which is part of a process which has been temporarily suspended or which is being actively marketed in place for sale to third party vendees as a complete process does not qualify as "obsolete or surplus" personal property. Only personal property normally reported on Page 2 of the personal property statement (Sections A through F) may be reported as "obsolete or surplus." A taxpayer who believes that personal property normally reported elsewhere on the personal property statement, or on one of the forms attached to the statement, suffers impaired value due to obsolescence or otherwise must address that issue directly with the assessor. Such property cannot be reported as "obsolete or surplus."
Reference: Michigan Compiled Laws 211.19 and the Instructions to Form L-4142 (Treasury Form 2698)

Are buildings, communications towers and other improvements which I have placed on real property reported on my personal property statement?

Generally, real property structures and improvements are not reported on your personal property statement. However, if you are a tenant, or if you have otherwise placed a structure or improvements on real property which is owned by someone else, you are required to report such structures or improvements on your personal property statement. In some cases this report will result in a personal property assessment (or an increased assessment) to you, in other cases the

report will result in your receiving a separate real property assessment and in still other cases, the report will result in a review of the real property assessment of the landowner. The costs incurred by you for leasehold improvements (improvements to a landlord's structure) are reported in Section M on page 4 of the personal property statement. The cost incurred for the erection of freestanding signs and billboards and the cost incurred for the erection of buildings and other structures, such as freestanding communications towers, is reported in Section N on page 4 of the personal property statement. Non-freestanding signs and equipment which you have placed on leased land, or on land which you are otherwise using, are reported in the appropriate section on page 2 of the personal property statement. See State Tax Commission Bulletin 8 of 2002 and Bulletin 1 of 2003 which can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html .
Reference: Michigan Compiled Laws 211.19 and the Instructions to Form L-4175 (Treasury Form 632)

How are freestanding signs and billboards reported by the owner and valued by the assessor?

Freestanding signs and billboards are reported in Section N, page 4, of the personal property statement and are valued using a replacement cost less depreciation methodology, rather than through the use of any of the State Tax Commission's valuation multiplier tables. The assessor is expected to measure the sign or billboard and evaluate its physical condition and utility, and then estimate the current replacement cost of the sign or billboard. Depreciation is then applied to reflect the current effective age of the property. Non-freestanding signs and billboards are reported in Section A, page 2, of the personal property statement. By specific statutory provision, both freestanding and non-freestanding signs and billboards are assessed as personal property.
Reference: Michigan Compiled Laws 211.19, Michigan Complied Laws 211.34c(3)(b)(ii) and the Instructions to Section N, Page 4 and Section A, Page 2 of Form L-4175 (Treasury Form 632), along with State Tax Commission Bulletin 8 of 2002 and Bulletin 1 of 2003 which can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html

What is a personal property "move-in" and how do I report a "move-in"?

The "move-in" procedure was initiated by the State Tax Commission to assure compliance with a tax limitation provision of the Michigan Constitution. The reporting of "move-ins" does not increase or decrease the taxpayer's assessment and does not directly affect the rate of taxation that is applied to the assessment.

A "move-in" is an item of assessable personal property which is located within a given assessment jurisdiction on Tax Day of the current reporting year but which was not assessed in the jurisdiction on the previous Tax Day. All "move-ins" except acquisitions of new personal property (property which is properly reported on the top acquisition year line of a section), must be reported to the assessor on Treasury Form 3966, in addition to being reported in the appropriate section on page 2 of the personal property statement. Items of personal property which are commonly reported as "move-ins" include personal property which was located in another assessment jurisdiction or outside Michigan on the previous Tax Day, personal property which was exempt on the previous Tax Day, personal property which was mistakenly omitted from the personal property statement on the previous Tax Day and purchases of used personal property from outside the jurisdiction. If the property was assessed in the assessment jurisdiction

for the previous Tax Day, even if the assessment was made to another taxpayer or at another location in the jurisdiction, it is not a "move-in" and it should not be reported on Form 3966.
Reference: Michigan Compiled Laws 211.19 and the Instructions to Form 3966

Leased Personal Property:

Do I have to report personal property which is in my possession on Tax Day under an equipment leasing arrangement?

Yes, the General Property Tax Act requires a taxpayer to disclose on its personal property statement all assessable personal property that is in its possession or under its control on Tax Day. Such property must be disclosed on the lessee's personal property statement regardless of the terms of the lease. Leased equipment should not be reported on page 2 of the personal property statement, unless it is owned by one of several types of financial institutions (as discussed elsewhere) or is personal property held under an Industrial Facilities Exemption certificate. In particular, personal property held pursuant to a capital lease, and/or a lease of a type sometimes referred to as a "conditional sale," along with personal property being leased under a normal operating lease, must be reported on page 3 of the personal property statement in Section I or in Section J, not on page 2.
Reference: Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19

When I report equipment or other personal property which I am leasing from a leasing company, how do I report it?

In most cases, leased equipment is reported by the lessee, for informational purposes only, in Section J, on page 3 of the personal property statement. However, if the leased personal property is "qualified personal property" of a "qualified business" it is reported in Section I. The lessee should not report leased equipment along with its owned personal property unless the lessor is one of several specified types of financial institution (as discussed elsewhere) or unless the property is Industrial Facilities Exemption property. This is true even if the lease arrangement is treated as a capital lease under generally accepted accounting principles and/or for federal income tax purposes, or is a lease arrangement of the type sometimes referred to as a "conditional sale."
Reference: Michigan Compiled Laws 211.8a, Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19

If I am an equipment leasing company, do I have to report leased equipment to the assessing jurisdiction if I believe the lease is a "conditional sale" contract or if I am leasing to the user under a "capital" or "bargain purchase" lease?

Yes, a leasing company must report all leased equipment on the personal property statement, Form L-4175 (Treasury Form 632) unless:

- It is a bank, savings and loan (savings bank) association or credit union,
- The personal property is held as part of an Industrial Facilities Exemption certificate, or
- It is a "qualified business" and the leased personal property is "qualified personal property."

- The personal property is Eligible Manufacturing Personal Property (See Question and Answer 44)

If a lessor is not required to report leased personal property to the assessor on a personal property statement, because it is a bank, savings and loan (savings bank) association or credit union, or because it is a "qualified business" and the leased personal property is "qualified personal property," it must still file an informational rendition with the assessor, using a State Tax Commission approved form. If the exception on which the leasing company relies is that it is a "qualified business" and the leased personal property is "qualified personal property" it must complete Form L-4143 (Treasury Form 2699). If the leasing company is a financial institution, it must seek approval of its proposed reporting format from the State Tax Commission prior to submitting its report to the assessor.
Reference: Michigan Compiled Laws 211.8a, Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19

Why is the lessor under a personal property leasing arrangement assessed under a capital lease or under a lease of the type sometimes referred to as a "conditional sale"?

The General Property Tax Act provides that personal property is to be assessed to the owner, if known. Under an equipment leasing arrangement, the lessor is the owner of the property. Even if the lease agreement is one in which the lessee can acquire title to the personal property by making all of the lease payments, the ownership of the property continues to rest with the lessor until all required payments have been made. There is nothing contained in the Act which indicates an exception in cases where the lease is a capital lease or a lease of a type sometimes referred to as a "conditional sale." Although several Tax Tribunal decisions, based on facts that arose prior to 1999, might seem to indicate that the lessee is to be treated as the owner if the lessor held a security interest, Section 13 of the General Property Tax Act, as amended by Michigan Public Act 537 of 1998, provides that holding a security interest does not act to prevent assessment to the secured party unless the secured party also has no ownership interest.
Reference: Michigan Compiled Laws 211.13

Are there circumstances under which I will be assessed for equipment, or other personal property, which I am leasing from a leasing company?

Yes, despite any provision in the lease which might indicate otherwise, the General Property Tax Act provides that leased equipment must be reported by, and assessed to, the lessor (the leasing company), as the owner of the personal property. However, if the owner is not known, the assessor may assess a person having possession or who is beneficially entitled to the personal property. Further, there are three exceptions to the generalization that the lessor must be assessed for the personal property. First, "qualified personal property" of a "qualified business" is reported by, and assessed to, the lessee, if the lessor has filed the required informational rendition with the assessor by February 1 of the assessment year. Second, bank or trust company-owned, savings and loan (savings bank)-owned and credit union-owned personal property is reported by, and assessed to, the "for-profit" lessee-user of the personal property. Third, Industrial Facilities Exemption certificate personal property is exempt from ad valorem assessment, and is reported by the lessee, as the holder of the certificate.
Reference: Michigan Compiled Laws 211.8a, Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19

What is "qualified personal property" of a "qualified business"?

"Qualified personal property" is property owned by a "qualified business" (generally a leasing company), which is made available to another (typically a lessee), under a written agreement which provides that the lessee, rather than the "qualified business" will report the "qualified property" on the lessee's personal property statement. To be a "qualified business" the business must be a "for-profit" enterprise that obtains services from 30 or fewer employees. For purposes of determining whether a business is a "qualified business," employees of entities under common control and employees of other members of an affiliated group are deemed to be employees of the business. For property to be deemed "qualified personal property," the agreement must extend for a non-cancelable term of 12 months, or more, the user must be a "for-profit" business and the user must obtain legal title to the property by making all of the periodic payments or by making all the payments, plus a final payment less than the true cash value of the property. To avail itself of this exception, the leasing company must complete and file Treasury Form 2699 with the assessor by February 1 of the assessment year. Complete instructions and qualification requirements are provided with that form and in State Tax Commission Bulletin 16 of 1994 and Bulletin 5 of 1999 which can be found at:
http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html .
Reference: Michigan Compiled Laws 211.8a, Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19

If I am a lessee of "qualified personal property" of a "qualified business" how is that property reported on my personal property statement?

Report "qualified personal property" of a "qualified business" in Section I on page 3 of the personal property statement. You are expected to provide all information requested. The information needed should be provided to you by the leasing company. You should not report this personal property elsewhere on the personal property statement.
Reference: Michigan Compiled Laws 211.8a, Michigan Compiled Laws 211.13 and Michigan Compiled Laws 211.19, along with the Instructions to Section I, Page 3 of the personal property statement, Form L-4175 (Treasury Form 632) and State Tax Commission Bulletin 16 of 1994 and Bulletin 5 of 1999. These Bulletins can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html

Why is personal property leased to a "for-profit" taxpayer by a bank, a savings and loan (a savings bank) or a credit union assessed to the lessee?

By separate statutory provisions, banks and trust companies, savings and loan associations (savings banks) and credit unions are exempt from payment of personal property tax. However, this exemption does not extend to non-banking subsidiaries of banks that are separate legal entities from the bank, or to the real property interests of such entities. Buildings, or structures (such as kiosks), on leased land and leasehold improvements, are not exempt. Further, personal property owned by such entities which is made available to a "for-profit" user, such as a lessee, or which is made available to its own non-banking subsidiary, is not exempt. State Tax Commission Bulletin 2 of 1992 provides that such an exempt entity must file an information return on a form approved by the Commission in each assessment jurisdiction where it has personal property being used by a "for-profit user", disclosing the name and address of the "for-profit" user, the acquisition cost of the personal property in question and the year of acquisition of the property. Bulletin 2 of 1992 can be found at: http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html .

Reference: Michigan Compiled Laws 211.9(m), Michigan Compiled Laws 487.3416, Michigan Compiled Laws 487.14309, Michigan Compiled Laws 489.858 and Michigan Compiled Laws 490.105

If I am an equipment leasing company, must I report sales and/or use tax, freight and installation costs as part of the equipment cost which I report, even if that cost was actually incurred by my customer (my lessee)?

Yes, the State Tax Commission's recommended valuation multipliers for personal property were developed for use in conjunction with the full fixed-asset accounting cost of the property which would be booked by the end-user in normal course, including sales tax, freight and installation costs. The State Tax Commission valuation multipliers will not arrive at a correct indication of value unless sales/use tax, freight and installation costs are included in the reported cost. Therefore, the State Tax Commission has directed that a leasing company must include or impute such costs as part of its reported cost, even if the cost was incurred by the lessee rather than the lessor, and even if an election was made to pay periodic use tax on the lease payments rather than sales tax. However, if the lessee is exempt from sales and use tax, then such taxes should not be imputed.
Reference: Michigan Compiled Laws 211.19 and the Instructions to the personal property statement labeled General Instructions to Sections A through F, Form L-4175 (Treasury Form 632)

Trade Fixtures and Leasehold Improvements:

What is a "trade fixture" and how do I disclose it on my personal property statement?

A "trade fixture" is property which was acquired by a tenant as detached personal property but which has been attached to leased or rented real property by the tenant and which is capable of being detached again for use elsewhere. It is common for taxpayers to classify certain trade fixtures, such as telephone systems, signs, security systems, etc., as leasehold improvements in their financial accounting records, but the General Property Tax Act provides that trade fixtures are personal property, and are assessable to the tenant. Even if the taxpayer's financial accounting records have classified certain trade fixtures into leasehold improvement fixed-asset accounts, those trade fixtures should not be reported as leasehold improvements on the personal property statement. Instead, such property must be reported in the correct Section of the personal property statement, typically one of the Sections A through F, on page 2 of the statement.
Reference: Michigan Compiled Laws 211.8(k), Michigan Compiled Laws 211.19 and the Instructions to the personal property statement labeled General Instructions to Sections A through F, Form L-4175 (Treasury Form 632)

What are "leasehold improvements" and how do I report them on my personal property statement?

"Leasehold improvements" are land improvements made by a tenant or improvements made by a tenant to a structure which was erected and/or which is owned by the landlord. A taxpayer is required to report all leasehold improvement expenditures in Section M on page 4 of the personal property statement, even if the taxpayer believes that such improvements add no value to the real estate or that the improvements have been assessed as part of the value of the real estate. "Trade fixtures" should not be reported as leasehold improvements.

Reference: Michigan Compiled Laws 211.8(h), Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Section M, Page 4, Form L-4175 (Treasury Form 632)

Does the fact that I am required to report all of my leasehold improvements mean that I will receive a personal property assessment for such improvements?

No, although the assessor generally has statutory authorization, either to assess tenant-installed leasehold improvements to the landlord, as part of the real estate, or to the tenant, as a personal property assessment, the improvements can only be valued (assessed) once, as either a real property improvement or as personal property. Further, such improvements can only be assessed to the extent that they add value to the real estate. The tenant-taxpayer should provide as much detail as possible to the assessor in reporting leasehold improvements on Section M of the personal property statement, so that the assessor can make an evaluation to determine both whether the leasehold improvements have been assessed as part of the real property and whether, and to what extent, the leasehold improvements have added value to the real property.
Reference: Michigan Compiled Laws 211.8(h), Michigan Compiled Laws 211.19 and the Instructions to the personal property statement for Section M, Page 4, Form L-4175 (Treasury Form 632)

How will I know if the assessor has assessed me for leasehold improvements?

The General Property Tax Act requires the assessor to separately assess, or to separately state on any combined assessment change notice, any assessment of leasehold improvements so that the tenant is notified of both the determination to assess the tenant for leasehold improvements and of the amount of such assessment.
Reference: Michigan Compiled Laws 211.8(k)

Are leasehold improvements treated differently than structures erected by a tenant?

Yes, the General Property Tax Act distinguishes between structures erected by the tenant on the landlord's land and leasehold improvements made by the tenant to the landlord's structure. Although structures erected by the tenant on the landlord's land are reported, for informational purposes, to the assessor in Section N, page 4 of the personal property statement, such structures are assessed as real property, by using real property valuation techniques and by placing the assessment on the real property portion of the assessment and tax roll. This procedure is detailed in State Tax Commission Bulletin 8 of 2002 and Bulletin 1 of 2003. These Bulletins can be found at http://www.michigan.gov/treasury/0,1607,7-121-1751_2228-164455--,00.html . The tenant-erected structures that are administered pursuant to the procedures contained in these Bulletins include, but are not limited to, buildings, kiosks, and freestanding communications towers which the tenant has erected on the landlord's land. Although freestanding signs and billboards are structures, the legislature has provided that these specific structures will be assessed as personal property.
Reference: Michigan Compiled Laws 211.2(1)(c)

Personal Property Exemptions:

Are there any exemptions from personal property taxation?

Yes, even excluding the exemptions available to governmental agencies and local and county municipalities, there are over 50 exemptions available to those whose personal property qualifies. Most of these exemptions are narrow in scope or are available only to taxpayers who meet specific qualifications. While a complete discussion of these exemptions would be impossible in this "Frequently Asked Questions" format, the questions and answers set forth below describe the most commonly applicable exemptions. For further guidance please consult with private legal counsel.

Is there an exemption for owners of personal property who do not own, lease or possess very much assessable personal property?

Yes, the owner may qualify for the "Eligible Personal Property Exemption" – more commonly referred to as the "Small Business Taxpayer Exemption." If a taxpayer's personal property in a local tax collecting unit is or would be classified either as commercial personal property or industrial personal property and if the taxpayer meets all of specified requirements each year, then the personal property in that local tax collecting unit is exempt from personal property taxation for that assessment year. The requirements can be summarized as follows:

- The exemption must be properly claimed by completing and filing Form 5076 with the assessor of the local tax collecting unit no later than February 20 of the assessment year. The fully and correctly completed form must be received by the assessor of the local tax collecting unit by February 20 of the assessment year, or properly addressed and postmarked by February 20. Once properly claimed in 2019, the taxpayer does not have to file in future years to claim the exemption. However, the taxpayer must file Form 5618 to rescind the exemption once they no longer qualify for the exemption or they will be subject to significant penalty and interest.
- The combined true cash value of all of the personal property which is owned, leased or possessed by the taxpayer in that local tax collecting unit, when added to the true cash value of all of the personal property which is owned, leased or possessed by a related entity in that local tax collecting unit, must be less than $80,000.
- Personal property cannot qualify for the Small Business Taxpayer Exemption if it is leased to, or used by, a person or entity that previously owned the property, or which directly or indirectly controls, is controlled by, or is under common control with a person or entity that previously owned the personal property.

It should be noted that personal property classified as agricultural personal property, residential personal property or utility personal property does not qualify for the Small Business Taxpayer Exemption. Additional information regarding the exemption can be found in the Guide to the Small Business Taxpayer Exemption found on the STC website at www.michigan.gov/statetaxcommission under Publications and Presentations.

Is there an exemption for personal property used in manufacturing, or in support of manufacturing?

The Eligible Manufacturing Personal Property exemption may be available for personal property, depending on the following:

- Whether the personal property is at a location which qualifies the personal property for exemption, and
- Whether the calendar year that the personal property was placed in service is one which has been "phased-in" for exemption purposes.

For assessment year 2016, Eligible Manufacturing Personal Property (EMPP) placed in service in 2015, 2014, 2013 and in 2005 and prior is exempt from personal property taxation. In each subsequent assessment year, EMPP which has been in service for more than 10 years also becomes exempt, until 2023 when all EMPP will be exempt.

However, not all personal property associated with manufacturing is EMPP. In order to be EMPP, the personal property must be at a location where the predominant use of all the personal property at the location is for "industrial processing" and/or "direct integrated support." A location, which is referred to as "occupied real property," can be a single real property parcel, several contiguous real property parcels owned, leased or occupied by one single, integrated business operation, or a part of a real property parcel owned, leased or occupied by a person claiming the exemption, or by an affiliated person.

The EMPP exemption must be claimed by filing Form 5278 with the assessor of the local tax collecting unit by February 20 of the assessment year. To qualify for exemption, the form must be fully completed and received by the assessor by the due date. Form 5278 must be refiled each assessment year. EMPP which is exempt is subject to an alternative specific tax referred to as the Essential Services Assessment (ESA). Form 5278 combines into one document the affidavit which claims the EMPP exemption, the ad valorem assessment filing to the local assessor and the ESA filing information, which the assessor forwards to the Michigan Department of Treasury. If the personal property is not EMPP, then Form 5278 is not used and, instead, the taxpayer must file Form 632 (L-4175) Personal Property Statement.

More detailed information about the exemption and its requirements, including the definitions of "eligible manufacturing personal property," "industrial processing," direct integrated support" and "occupied real property," information about the Essential Services Assessment and Form 5278 can be found at http://www.michigan.gov/taxes/0,4676,7-238-43535_72736---,00.html
Reference: Michigan Compiled Laws 211.9m and 211.9n

Is computer software subject to assessment of personal property tax in Michigan?

Generally, software is exempt from property tax assessment. However, there are two exceptions, both relating to instances where it would be difficult to identify the portion of an acquisition cost that was the cost of acquiring software and the portion of the acquisition cost that was the cost of hardware. The first exception is that software is assessable if it is incorporated as a permanent component in hardware and is not commonly available for purchase separately. The second

exception is that software is assessable if it is purchased in the same transaction as the hardware with which it is used, unless the separate cost of the software is commemorated at the time of acquisition, both by a separate invoice or invoice amount and by the assignment of a separate line entry in the fixed asset records developed for financial accounting purposes.
Reference: Michigan Compiled Laws 211.9d

When the personal property statement refers to "assessable software" what kinds of software does that include?

The phrase "and assessable software," as contained in the instructions to Section F, page 2, of the personal property statement, does not imply that most or all software is assessable. Instead, the phrase simply indicates that software of the type designated in the two exceptions to exempt status, as described in the FAQ response to Question 44, must be reported in Section F. Essentially, the cost of these types of software cannot first be imputed, or estimated, and then removed from the reported cost of related hardware.
Reference: Michigan Compiled Laws 211.9d

Are motor vehicles subject to assessment of personal property tax in Michigan?

Motor vehicles and trailers which have been registered with the Michigan Secretary of State by paying the fee provided in Section 801 of the Motor Vehicle Code, MCL 257.801, are exempt from payment of all other taxes, including personal property taxes. Vehicles and trailers which have not paid the fee provided in Section 801, including vehicles kept in Michigan but not registered on Tax Day, are not exempt. A vehicle which is engaged in interstate commerce and which has paid a pro rata portion of the registration fee provided in Section 801 is deemed to be registered for purposes of the exemption contained in that section.
Reference: Michigan Compiled Laws 257.801

Does the payment of the voluntary fee provided in Section 802 of the Motor Vehicle Code to obtain a "special mobile equipment" placard exempt the equipment for which the plate is issued?

"Special mobile equipment," for which a voluntary fee is paid pursuant to Section 802 of the motor vehicle code, is not exempt. The permit issued upon payment of that voluntary fee is not a vehicle registration under Section 801 and, therefore, it does not serve to exempt the vehicle. "Special mobile equipment," which is defined as a "vehicle not designed or used primarily for the transportation of persons or property and incidentally operated or moved over the highways, including farm tractors, road construction or maintenance machinery, mobile office trailers, mobile tool shed trailers, mobile trailer units used for housing stationary construction equipment, ditch-digging apparatus, and well-boring and well-servicing apparatus" is not exempt from personal property taxation.
Reference: Michigan Compiled Laws 257.802

Is equipment attached to a transporting vehicle currently registered with the Michigan Secretary of State under Section 801 of the Motor Vehicle Code exempt from personal property tax?

The fee paid under Section 801 of the Motor Vehicle Code for registration of the transporting vehicle to which the equipment is attached does not exempt the attached equipment unless the equipment is designed for operation while the vehicle is moving on the highway.
Reference: Michigan Compiled Laws 211.34c(3)(b)(iii), Michigan Compiled Laws 211.79 and Michigan Compiled Laws 257.801

What are exempt "special tools," as referred to in Question 1 in the "Summary and Certification" section on Page 1 of the personal property statement?

A "special tool," as defined in the General Property Tax Act, is exempt from personal property taxation. A "special tool" is a finished or unfinished device such as a die, jig, fixture, mold, pattern, special gauge or similar device that is used, or is being prepared to be used to manufacture a product and that cannot, without substantial modification, be used to manufacture another product. A "product" is a part, a component, a sub-assembly, a special tool or completed goods that are available for sale or lease in wholesale or retail trade. The definition of "special tool" does not encompass or include devices that differ in character from a die, jig, fixture, mold, pattern, special gauge and specifically does not include machinery and equipment even if customized to make one product and even when used in conjunction with "special tools." A die, jig, fixture, mold, pattern, special gauge or similar device which does not meet the definition of a "special tool" is designated as a "standard tool" and is reported in Section H, on page 3 of the personal property statement. However, "standard tools" are rare, arising from the fact that a die, jig, fixture, mold, pattern, special gauge or similar device, due to its nature, generally cannot make more than one product, absent substantial modification. Equipment which measures, or which holds items together or in place, but which is adaptable to many uses, such as a micrometer, a tape measure or a common clamp, is neither a "special tool" nor a "standard tool" and is reported as equipment in Section B on page 2 of the personal property statement.
Reference: Michigan Compiled Laws 211.9b

Is business inventory subject to assessment of personal property tax in Michigan?

Inventory, as defined by the General Property Tax Act, is exempt from assessment. The statutory definition of exempt inventory includes:

- Stock of goods held for sale or resale in the regular course of wholesale or retail trade;
- The finished goods, goods in process and raw materials of a manufacturing business;
- Supplies which will be consumed during the current period; and,
- Heavy earth moving equipment being held for retail sale, which can continue as exempt inventory for a limited time despite the fact that the merchant is actively renting the equipment under prescribed circumstances.

Inventory does not include personal property under lease, or principally intended for lease rather than sale (except for heavy earth moving equipment owned by a retail vendor which is held for sale but which is rented or leased under permitted circumstances for a limited time) or personal

property allowed a deduction or allowance for depreciation or depletion under the Internal Revenue Code of 1986 (even if the deduction or allowance is not taken).
Reference: Michigan Compiled Laws 211.9c

If I hold (an) air and/or water pollution control facility exemption certificate(s), how should I report the personal property used in such pollution control activities?

An air or water pollution control certificate issued by the State Tax Commission exempts the property included in the certificate. Although the certificate states a dollar amount, that stated amount does not limit or expand the exemption. Instead, the specifically described assets themselves are exempted. The acquisition cost relating to the asset or assets exempted is not reported on the personal property statement. However, a taxpayer holding an air and/or water pollution control certificate must check the "Yes" box to Line 2 of the Summary and Certification section on page 1 of the personal property statement and must attach an itemized list of the certificate numbers.
Reference: Michigan Compiled Laws 211.19 and the Instructions to Page 1, Line 2, Form L-4175 (Treasury Form 632)

Are personal effects and household goods and furnishings always exempt from personal property assessment?

Although the General Property Tax Act provides that personal property owned and used by a householder, such as customary furniture, fixtures, provisions, fuel, wearing apparel, personal jewelry, family pictures and books are exempt from personal property taxation, such personal property is not exempt if it is used to produce income or if it is held for purposes of speculative investment.
Reference: Michigan Compiled Laws 211.9(1)(f)

Is personal property used in agricultural operations exempt and, if so, does the owner have to be a farmer?

The General Property Tax Act provides that personal property actually used in agricultural operations is exempt. Equipment attached to specialized agricultural structures, such as livestock feed systems integrated into the building, may be deemed to be part of the real property and may not qualify for exemption. The exemption for agricultural personal property does not require that the property must be owned by, or even used by, a farmer. Instead, the exemption depends on the use to which the property is actually being put. The personal property of a contractor, when providing services that are themselves a part of agricultural operations, such as combine or fertilizing services, and the personal property of leasing companies, where the property is actually used exclusively in agricultural operations, may qualify for exemption. Generally, the property must be used directly and exclusively in agricultural operations. Personal property used in retail sales and in food processing does not generally qualify for exemption. However, the exemption does extend to equipment used in a manner incidental to the farming operation that prepares the crop for market and does not substantially alter the form, shape, or substance of the crop, if not less than 33% of the volume of the crops processed in at least three of the last five years were grown by the Michigan farmer who is the owner or user of the processing equipment.
Reference: Michigan Compiled Laws 211.9(1)(j)

Assessor's Valuation of a Taxpayer's Personal Property:

If I believe that using the original cost valuation multiplier recommended by the State Tax Commission does not result in a correct value for an item of my personal property, does that mean that my assessment is incorrect?

No, not necessarily. The State Tax Commission valuation multipliers are intended to be a mass appraisal tool that values groupings of personal property, not individual items of property. The multipliers are not designed to value individual items in the group. Instead, the multipliers are a tool that is generally reliable in estimating the value of a group of related personal property.
Reference: State Tax Commission Bulletin 12 of 1999

How are the personal property valuation multipliers recommended for use by the State Tax Commission different from depreciation multipliers?

The personal property valuation multipliers were developed by valuing the periodic survivors of representative groups of the various types of personal property and then computing a multiplier for each survivor group to translate historic cost new into a current indication of true cash value for the group. The personal property valuation multipliers differ from depreciation tables in several ways. They seek to adjust from historic cost new to an indication of current market value, rather than simply apportioning the historic cost over the periods benefited, they reflect the current value of the periodic survivors of the original group rather than apportioning the loss of value of the original members of the group and they recognize the potential influence of changes in replacement cost and of normal obsolescence consistent with the age of the property.

If I disagree with the instructions to the personal property statement as they relate to the way that my costs must be reported, may I disregard the instructions and report the costs in the manner I believe will result in a correct value?

The General Property Tax Act requires taxpayers to complete the personal property statement in the form required by the State Tax Commission. The taxpayer is not permitted to deviate from the reporting format required by the instructions that are set forth in the personal property statement. The assessor cannot authorize a taxpayer to report differently than required by the instructions. However, the taxpayer may provide the assessor with other information, documentation and data that relates to the value of the personal property and the assessor has discretion to consider such information in making his or her assessment.
Reference: Michigan Compiled Laws 211.24c