

ALGER COUNTY BOARD OF COMMISSIONERS

Mary Ann Froberg, Clerk  
101 COURT STREET, MUNISING, MI 49862

**RESOLUTION #2014-06**

**WHEREAS**, SB 552 would amend 1893 PA 206, entitled "The general property tax act," by amending section 8 (MCL 211.8), as amended by 2006 PA 633; and

**WHEREAS**, this proposed amendment would reduce assessed and taxable values of gas and oil well personal property by excluding drilling service, and "other costs" associated with drilling wells; and

**WHEREAS**, counties devoted resources last year to conduct personal property audits of oil and gas drilling facilities as a result of a bulletin issued by the state tax commission in October 2012, and several of these companies are still not correctly reporting the value of this equipment; and

**WHEREAS**, this amendment would reduce revenue from the personal property tax to all local taxing jurisdictions in the state; and

**WHEREAS**, the retroactive date, December 31, 2012, of this proposed amendment would severely impact local taxing jurisdictions by retroactively granting the exemption, thereby cutting revenue that has already been spent in local jurisdictions as part of the 2013 budget; and

**WHEREAS**, this amendment promotes inequity in the taxation of personal property by creating a special exemption for gas and oil well drilling companies; and


**WHEREAS**, the language of the proposed amendment that exempts from personal property taxation unspecified "other costs" is vague and could be interpreted to include all other personal property assessments for this particular industry; now

**THEREFORE, BE IT RESOLVED** that the Alger County Board of Commissioners opposes SB 552 due to the adverse effects it will have on the revenue of local jurisdictions and the inequity it will create within the general property tax act by providing special treatment to a particular group of businesses; and

**BE IT FURTHER RESOLVED** that this Board will oppose any action by the Michigan Legislature that results in further reductions in revenue to county governments and strongly recommends that any bills that will negatively impact the revenue of county governments include replacement funding; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be forwarded to Senator Tom Casperson, Representative John Kivela, Governor Snyder, and the Michigan Association of Counties.


Adopted this 17<sup>th</sup> day of February, 2014

  
Jerry Doucette, Chairman  
Alger County Board of Commissioners

STATE OF MICHIGAN)  
County of Alger )

I, Mary Ann Froberg, Clerk of the County of Alger and of the County Board of Commissioners, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the Board at a regular meeting on February 17, 2014.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County of Alger, this February 27, 2014 at Munising, Michigan.

  
Mary Ann Froberg  
Mary Ann Froberg Clerk