

**RESOLUTION URGING THE STATE OF MICHIGAN TO ALLOW TAX CREDITS  
FOR RESIDENTS OVER ASSESSED ON PROPERTY TAXES**

**BY COUNCIL PRESIDENT MARY SHEFFIELD**

**WHEREAS,** Pursuant to its Charter the government of the City of Detroit “is a service institution that recognizes its subordination to the people of Detroit” and “The City has an affirmative duty to secure the equal protection of the law for each person and to insure equality of opportunity for all persons.” and

**WHEREAS,** The Detroit City Council seeks to fulfill its ongoing obligation to the citizens of Detroit to fairly and honestly provide representation in all areas of service including the tax assessments of real property levied pursuant to the City’s authority under Michigan Law.

**WHEREAS,** The Detroit City Council is acutely aware of the City’s failure to accurately assess property taxes on residence following the “Great Recession” specifically during the period of 2010 through 2016 as indicated by Detroit media outlets, and Citizen advocate groups; and

**WHEREAS,** According to the Citizens Research Council of Michigan report, dated October 21, 2021, “The Detroit property assessor’s office failed to accurately reflect declining property valuations in the years following the Great Recession, causing many residential properties to be over-assessed and creating a financial strain for many property owners in the city...The City of Detroit is estimated to have overtaxed homeowners by at least \$600 million over a six year period following the Great Recession.” and

**WHEREAS,** The Detroit News stated in an article, dated March 11, 2022, “Of the more than 63,000 Detroit homes with delinquent debt in the fall of 2019, more than 90% were overtaxed by an average of at least \$3,700 between 2010 and 2016, according to calculations by The News.” And

**WHEREAS,** The State of Michigan by and through the authority granted under the Michigan Constitution, and the General Property Tax Act MCL 211.1 et seq, provides the only remedy afforded property taxpayers who are improperly assessed through protest to the City’s Board of Review and appeal to the State Treasury’s Michigan Tax Tribunal within the statutory time period provided, and

**WHEREAS,** In *United States Cold Storage Corporation v Board of Assessors of City of Detroit*, 349 Mich. 81, 84 N.W.2d 487 (1957), the Court highlighted the taxing power of the Legislature stating:

The power of exemption would seem to imply the power of discrimination, and in taxation, as in other matters of legislation, classification is within the competency of the legislature. (Id at 91)

The State of Michigan has the authority under the State Constitution to determine under what circumstances taxes can be abated, exempted or credited; and

**WHEREAS,** The statutory time period for protest and appeal for the tax assessments from 2010 through 2016 have passed leaving the improperly assessed taxpayers no remedy under the current law, and

**WHEREAS,** An appropriate remedy would be a change in the State tax law allowing citizens who can show they have been improperly assessed after the regular period of protest and appeal have lapsed to seek a tax credit from the locality levying the improper assessment in an amount per year up to the amount over assessed in a manner to be set forth by statute; **THEREFORE, BE IT**

**RESOLVED,** That the Detroit City Council urges the State of Michigan to enact tax legislation providing for citizens who can show they have been improperly assessed after the regular period of protest and appeal have lapsed to seek a tax credit from the locality levying the improper assessment in an amount per year up to the amount over assessed in a manner to be set forth by statute which would provide the necessary and just relief citizens Michigan and the City of Detroit deserve; and **BE IT FURTHER**

**RESOLVED,** That a copy of this resolution be provided to Governor Gretchen Witmer, Mayor Mike Duggan, the Detroit delegation to the Michigan House of Representatives and the Detroit Delegation of the Michigan Senate.