

STATE OF MICHIGAN
DEPARTMENT OF LICENSING & REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
MICHIGAN TAX TRIBUNAL

AutoDie, LLC,
Petitioner,

v

City of Grand Rapids,
Michigan Department of Treasury,
and State Tax Commission,
Respondent.

MTT Docket No. 449060

Tribunal Judge Presiding
Kimbal R. Smith III

ORDER GRANTING RESPONDENTS', MICHIGAN DEPARTMENT OF
TREASURY AND MICHIGAN STATE TAX COMMISSION, MOTION TO
DISMISS THEM AS NAMED PARTIES

ORDER GRANTING SUMMARY DISPOSITION IN FAVOR OF
RESPONDENT, CITY OF GRAND RAPIDS, UNDER MCR 2.116(I)(1)

On November 29, 2012, Respondents, Michigan Department of Treasury and Michigan State Tax Commission, filed a motion requesting the Tribunal to dismiss them as named parties from the above captioned case. In their Motion, the parties state “no assessment policy, practice, or enforcement concerns are at issue that implicate the STC in its assessment supervisory role. And an appeal under MCL 211.154 does not, given the facts of this case, implicate Treasury or the STC.” Respondents also contend that “the STC was the deciding body in the §154 matter and its participation, given the facts in this case, is unnecessary as the Tribunal’s review is independent, exclusive and *de novo*.” Further, Respondent, City of Grand Rapids, has “expressed no concern in its ability to represent its interests, whether or not Treasury or the STC remain named parties.”

On December 14, 2012, Petitioner filled a response to Respondents’ Motion. In response, Petitioner contends that the Michigan State Tax Commission “is named as a party in this case for the reason that it failed to comply with MCL 211.150 and MCL 211.154, which required it to investigate the matter and take such proceedings as will correct the irregularity complained of by Petitioner.”

Respondent, City of Grand Rapids, has not filed a response to Respondents' Motion to Dismiss.

The Tribunal has considered the Motion, response, and the case file, and finds that Petitioner filed its petition on November 2, 2012. In the petition, Petitioner alleges the 2011 assessed and taxable values were unlawfully assessed due to incorrectly reported property. As a result, Petitioner filed Form 4798 with Respondent to report Petitioner's personal property as automotive manufacturing equipment. Respondent determined Petitioner did not qualify for use of Form 4798; therefore, Petitioner filed an appeal with the State Tax Commission. The State Tax Commission, ultimately, determined it lacked jurisdiction over Petitioner's petition in an October 2, 2012 letter stating that:

[I]t is clear that no part of the real property in question has been omitted from assessment and it is also clear that the assessor did not base his or her assessment on an incorrect taxpayer report. Instead, the assessment was based on the independent determination of value made by the assessor that was not affected by the omission of property components from the valuation process. Disagreements relating to the true cash value of assessable property fall within the jurisdiction of the Michigan Tax Tribunal, and are not within the jurisdiction of the State Commission.

This timely appeal ensued.

Respondents, Michigan Department of Treasury and the State Tax Commission, have properly asserted that their presence as named Respondents is not necessary to resolve the issues in this appeal. Rather, the proper parties are AutoDie, LLC and the City of Grand Rapids only. The State Tax Commission was the entity that denied Petitioner's petition under MCL 211.154 and it need not be represented before the Tribunal in this appeal. Further, the Michigan Department of Treasury also has no interest that need be represented in this appeal as the issue is whether Respondent properly denied the exemption of Petitioner's automotive manufacturing equipment personal property as reported on Form 4798, as will be further explained below.

Petitioner filed its appeal from the State Tax Commission's October 2, 2012 letter dismissing Petitioner's petition for lack of jurisdiction. The Tribunal finds that the State Tax Commission properly found that it lacked jurisdiction over Petitioner's

appeal. Respondent, City of Grand Rapids', decision to disregard Petitioner's Form 4798 was an issue pertaining to the valuation of Petitioner's personal property. If the State Tax Commission determines that property subject to the collection of taxes under the General Property Tax Act has been incorrectly reported or omitted the state tax commission shall place the corrected assessment value for the appropriate years on the appropriate assessment roll. Here, the State Tax Commission properly determined that the issue did not relate to whether the property was omitted or incorrectly reported; rather, the State Tax Commission determined "the assessment was based on the independent determination of value made by the assessor that was not affected by the omission of property components from the valuation process." As such, the Michigan Tax Tribunal, and not the State Tax Commission, was the proper venue to raise its claim because the issue was a disagreement relating to the true cash value of assessable property.

As such, the State Tax Commission was not the proper venue for Petitioner to raise its claims and the valuation of the subject property did not attach to the petition as the only issue appealed was the action taken by the State Tax Commission. Nevertheless, the Tribunal shall apply the relation-back doctrine and shall apply the date Petitioner filed its initial claim with the State Tax Commission as if it filed its petition with the Tribunal. Petitioner did not file its petition with the State Tax Commission until October 2011; therefore, Petitioner did not file its petition on or before May 31, 2011, pursuant to MCL 205.735a. Petitioner failed to properly invoke the Tribunal's jurisdiction for the 2011 tax year; therefore, the Tribunal concludes that it lacks jurisdiction over this appeal.

IT IS ORDERED that Respondents', Michigan Department of Treasury and State Tax Commission, Motion to Dismiss is GRANTED.

IT IS FURTHER ORDERED that Summary Disposition is GRANTED in favor of Respondent, City of Grand Rapids.

This Order resolves the last pending claim and closes this case.

MICHIGAN TAX TRIBUNAL

By: Kimbal R. Smith III

Entered: January 15, 2013