

# Personal Property Tax Collections For MI Counties



# County Personal Property Tax Collections

- ❑ Different Strokes for different folks.  
Size of County impacts decision matrix
  
- ❑ Elected Official Perspective  
Inevitable that you will lose some votes.

# County Personal Property Tax Collections

- ❑ Local units in County may impact the decision.
- Problems from less aggressive local units get magnified when collecting personal property taxes.
- Assigned assessments are tinder boxes.
- Efficiencies are minimal unless you have “all in”.

# County Personal Property Tax Collections

## Cost – Benefit Analysis

- ❑ Revenues - Negotiated with local unit
  - Property Tax Administration fee of 1%
  - Collection fee
  - Enhanced tax collections if you can improve on collections
- ❑ Expenses - Staff time – FTE increment?  
Mailings, Legal expenses

Auctions can be “painful”



# County Personal Property Tax Collections

## Land mines

The “upside” on revenues is fixed while expenses can escalate due to unexpected collection complications.

**UNITED STATES BANKRUPTCY COURT  
DISTRICT of Western District of Michigan**

**Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines**

A bankruptcy case concerning the debtor Corporation listed below was originally filed under chapter 11 on 1/16/04 and was converted to a case under chapter 7 on 5/13/04.

You may be a creditor of the debtor. You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

**See Reverse Side For Important Explanations.**

Debtor(s) (name(s) used by the debtor(s) in the last 6 years, including married, maiden, trade, and address):

Hot 'n Now, LLC  
4205 Charlar Ste 3  
Holt, MI 48842

Case Number:  
04-00505-jdg

Taxpayer ID Nos.:  
06-1477834

Attorney for Debtor(s) (name and address):

Daniel J. Weiner  
Schafer and Weiner PLLC  
40950 Woodward Avenue  
Suite 100  
Bloomfield Hills, MI 48304  
Telephone number: (248) 540-3340

Bankruptcy Trustee (name and address):  
Rose Ellen Bureham  
Chapter 7 Trustee  
PO Box 207  
Grand Lodge, MI 48837  
Telephone number: (517) 622-8553

**Meeting of Creditors:**

Date: July 21, 2004

Time: 10:23 AM

Location: U. S. Post Office & Courthouse Bldg., 315 W. Allegan, Room 101, Lansing, MI 48933

**Creditors May Not Take Certain Actions:**

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

**Please Do Not File a Proof of Claim Unless You Receive a Notice To Do So.**

Address of the Bankruptcy Clerk's Office:

299 Federal Building  
110 Michigan, NW  
PO Box 3310  
Grand Rapids, MI 49501  
Telephone number: (616)456-2693

For the Court:

Clerk of the Bankruptcy Court:  
Daniel M. LaVelle

Hours Open: Monday - Friday 8:00 AM - 4:00 PM

Date: 5/26/04



# MEMORANDUM

There are

sizable payoffs

date: December 1, 1993

to: Kurt Kimball, City Manager

from: Albert C. Mooney, City Treasurer

subject: Treasurer's Office Accomplishments For Calendar Year 1993

Per your request, please find listed below several significant accomplishments of the Treasurer's Office in 1993. Additional details are available pertaining to the specifics on these items should you desire them.

- Used periodic meetings for staff input on means of enhancing the services provided and ways to troubleshoot (hopefully in advance) problems citizens and staff encounter.
- Collected (with outside legal counsel) prior year real and personal property taxes involved in bankruptcy proceedings as detailed in the table below.

<u>Business</u>	<u>Years</u>	<u>Collections</u>	<u>Legal Fees</u>
Autodie, Inc.	'91 & '92	\$745,914	\$13,482
McInerney	'90 - '92	\$414,567	\$1,829
Michigan Litho.	'89 - '91	\$74,042	\$1,872
Shout, Inc.	'91 - '92	\$19,803	\$477
	Totals	\$1,254,326	\$17,660
		=====	=====



# County Personal Property Tax Collections

- ❑ Do your homework - what am I losing right now?
- Total up write off amounts – both for the Co. and for all taxing units – look globally at what the community may be losing.
- Are the local units willing to participate?

# County Personal Property Tax Collections Summary

- If the staff and process for collections are in place, it may be working well for all.
- It is not for everyone – the dynamics of the local units and the County's businesses need to be evaluated.
- Look at the revenues lost to make the decision.

# County Personal Property Tax Collections

Questions?

Al Mooney, City Treasurer

City of Grand Rapids

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(616) 456-3285

