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DEPARTMENT OF TREASURY
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**Bulletin 15 of 2025
November 18, 2025
Procedural Changes for 2026**

TO: Assessing Officers and County Equalization Directors

FROM: Michigan State Tax Commission

SUBJECT: Procedural Changes for the 2026 Assessment Year

The purpose of this Bulletin is to provide information on statutory changes, procedural changes and reminders for the 2026 assessment year. Additional guidance may be issued later if any pending legislation is enacted by the end of the year.

A. Inflation Rate Used in the 2026 Capped Value Formula

The inflation rate, expressed as a multiplier, to be used in the 2026 Capped Value Formula is 1.027.

The 2026 Capped Value Formula is as follows:

$$\text{2026 CAPPED VALUE} = (\text{2025 Taxable Value} - \text{LOSSES}) \times 1.027 + \text{ADDITIONS}$$

The formula above does not include 1.05 because the inflation rate multiplier of 1.027 is lower than 1.05.

B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2026

Local governing bodies are required to adopt guidelines that establish income levels for poverty exemptions. These income levels **shall not be set lower** than the federal poverty guidelines, which are updated annually by the U.S. Department of Health and Human Services. For example, the income level for a household of three persons shall not be set lower than \$26,650 as shown on the following chart below. The income level for a family of three may be set higher than \$26,650.

The following federal poverty guidelines are to be used in establishing poverty exemption guidelines for 2026 assessments:

Size of Family Unit	Poverty Guidelines
1	\$15,650
2	\$21,150

Size of Family Unit	Poverty Guidelines
3	\$26,650
4	\$32,150
5	\$37,650
6	\$43,150
7	\$48,650
8	\$54,150
For each additional person	\$5,500

Note: MCL 211.7u requires that the poverty exemption guidelines established by the governing body of the local assessing unit shall include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash to pay property taxes.

The asset test should establish a maximum amount and any assets exceeding that amount is considered available. Please refer to STC Bulletin 17 of 2025 for additional information.

Note: MCL 211.7u allows an affidavit (Treasury Form 4988) to be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year. This includes the property owner who is filing for the exemption.

The application forms have been combined. Form 5739, *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*, has been retired. Form 5737, previously titled *Application for MCL 211.7u Poverty Exemption*, has been revised to incorporate content from Form 5739.

All poverty exemption applications for 2026 should use the revised Form 5737, *Application and Affirmation for MCL 211.7u for Poverty Exemption*.

C. Sales Studies

Equalization study dates are as follows for 2026 equalization:

Two Year Study: April 1, two years prior through March 31, current year
Single Year Study: October 1, preceding year through September 30, current year

For 2025 studies for 2026 equalization the dates are as follows:

Two Year Study: April 1, 2023 through March 31, 2025
Single Year Study: October 1, 2024 through September 30, 2025

Note that the revised time periods apply to all equalization studies, including sales ratio studies, land value studies, and economic condition factor studies for appraisals. Additionally, the revised timeframe for two-year studies applies to all real property classifications.

D. Property Classification

The State Tax Commission reminds assessors that property classification must be determined annually and is based upon the current use of the property **and not its** highest and best use. The Commission is aware that some assessors are still classifying property according to highest and best use and/or are not classifying property on an annual basis.

The Commission urges all assessors to take the necessary steps to ensure that all real and personal property is properly classified according to MCL 211.34c.

E. Public Act 660 of 2018 Training Requirements

Required Training: Assessors and Support Staff

PA 660 requires local units to ensure that support staff are sufficiently trained to respond to taxpayer inquiries. PA 660 also requires local units to ensure that assessors maintain their certification levels.

Support staff include all non-certified staff involved in the development of the assessment roll, including fieldwork, and any individual who provides information from the assessment roll to the public. Certified staff members are required to complete annual continuing education requirements.

The State Tax Commission adopted the following requirements for support staff training at the October 20, 2020, meeting:

1. **Certified Support Staff:** Support staff who are certified will be required to complete their annual continuing education requirements to satisfy this audit requirement. Proof of completion and the required Form 5730 should be attached to the Assessor's Certification of the Assessment Roll and maintained with local unit records.
2. **Uncertified Support Staff:** Beginning in 2022, uncertified support staff will be required to complete training at least once every two years on key updates to assessing to meet this audit requirement. Proof of completion and the required Form 5730 should be attached to the Assessor's Certification of the Assessment Roll and maintained with local unit records.

Required Training: Board of Review members

PA 660 requires that local units **must require** all board of review members to complete board of review training and updates approved by the State Tax Commission. Verifying that board of review members have received this training is a required component of the audit beginning in 2023.

The State Tax Commission has determined that beginning in 2022, Board of Review members will be required to complete Board of Review training at least once every two years to meet this audit requirement.

Training will be offered by the State Tax Commission or by outside organizations with State Tax Commission approval and use of State Tax Commission approved materials. Proof of completion, along with the required Form 5731, must be attached to the Board of Review's Certification of the Assessment Roll and maintained with the local unit's records. Board of Review members are responsible for ensuring they receive proof of completion and submit it to the local unit for proper recordkeeping and audit purposes.

F. Tax Tribunal Reminders

The Tax Tribunal Rules were updated on March 28, 2025.

The Tax Tribunal's July 2, 2025, and September 24, 2025, newsletters contain additional information and procedural changes.

Please note: If a letter is filed to initiate an appeal in either the Small Claims Division or the Entire Tribunal, the Tribunal will issue a Notice of No Action that will provide, in pertinent part: ". . . your letter is insufficient to initiate an appeal and the Tribunal will not consider your appeal (i.e., take no action) unless a petition is filed by the statutory deadline for the filing of such appeals. Small Claims petition forms are available on our website at www.michigan.gov/taxtrib."

The Tribunal will now accept refund requests via email. This will facilitate the efficient processing of the request and timely refund of funds. However, any other emailed submissions, other than those outlined below, will be rejected and the filer reminded to formally file (i.e., e-filing or hard copy) the document. 1. Appearances/Stipulated Substitutions of Representatives 2. Same-day Emergency Requests regarding a scheduled prehearing or hearing 3. Stipulated (joint) Withdrawals 4. Stipulation Notifications 5. Updates to Contact Information 6. Valuation Disclosures if filed with Motion to Withhold 7. Entire Tribunal hearing and post-hearing exhibits and exhibit lists 8. Rebuttal Evidence 9. Mediator Applications 10. Mediation Status Reports 11. Refund Requests.

In *Sixarp LLC v Byron Twp*, the Michigan Supreme Court held that: The Legislature has clearly mandated that the requirement for appeal in the MTT under MCL 205.735a(3) is jurisdictional. The statute plainly states that "the assessment must be protested before the board of review before the tribunal acquires jurisdiction of the dispute." MCL 205.735a(3) (emphasis added). As a result, MCL 205.735a(3) "is not a notice statute, but is a jurisdictional statute that governs when and how a petitioner invokes the Tax Tribunal's jurisdiction." *Id.* at 8. As a result, certain petitions may no longer be accepted as timely filed or will no longer proceed to hearing with questions of fact. For example, a petition filed 34 days after a July or December Board of Review denial of a poverty exemption wherein the Board's decision informs the parties that an appeal may be filed within 35 days of the decision under MCL 205.735a, when in fact the statutory deadline is 30 days per MCL 211.53c.

Assessors representing their local unit in Tax Tribunal hearings must submit evidence to support the value of the property under appeal. If the assessor is relying on the property record card as evidence of value, the card must correspond to the year(s) being appealed.

The complete property record card, including all calculations, should be provided. Do not submit a property record card stating, “calculations too long” and then fail to include the additional calculations. Additionally, assessors should submit any studies prepared that support the economic condition factor and land value shown on the record card.

Assessors must also be prepared to explain at the hearing how the value shown on the property record card was determined.

The Tax Tribunal requests that assessors include copies of the adopted local unit poverty guidelines/resolutions, Economic Condition Factor studies, and land values studies (when applicable) when submitting documents for Small Claims hearings.

Assessors are also reminded that any changes in contact information, including email addresses, must be submitted to the Tax Tribunal to ensure that all case notifications are received.

More information regarding the Michigan Tax Tribunal, including Tribunal Rules, forms and instructions is available at www.michigan.gov/taxtrib.

G. Disabled Veterans Exemption Changes

Public Acts 150, 151, and 152 of 2023 were signed by the Governor on October 19, 2023. The Acts remove the authority of the Boards of Review to review and approve disabled veteran’s exemptions. All applications for a disabled veteran’s exemption are to be reviewed and approved or denied by the assessor. **Assessors should not take 2026 disabled veterans exemption applications to the Board of Review.**

A disabled veteran or an unremarried surviving spouse, filing for the first time in the local unit, must file the application to claim the exemption for 2026 after January 1 and before December 31. Assessors should timely review the applications and approve the exemption or issue a written denial.

Under MCL 211.7c, a disabled veterans exemption granted as to taxes levied on or after January 1, 2025, remains in effect, without subsequent reapplication, until rescinded by the disabled veteran or unremarried surviving spouse or denied by the assessor.

See Bulletin 19 of 2023 and the Disabled Veterans Exemption Q&A for more information.

H. Qualified Heavy Equipment Rental Personal Property Exemption –

MCL 211.9p provides an exemption for qualified heavy equipment rental personal property beginning December 31, 2022. This exemption is not mandatory and may be claimed at the option of the qualified renter. Once qualified for the QHERPP exemption under MCL 211.9p, qualifying personal property will be exempt from ad valorem taxes and instead pay the specific tax as provided by Public Act 35 of 2022 (MCL 211.1121 - 211.1133).

Qualified heavy equipment rental personal property (QHERPP) is defined in MCL 211.9p(8)(f) as any construction, earthmoving, or industrial equipment that is mobile and rented to customers by a qualified renter, including attachments or other ancillary equipment for that equipment. Qualified heavy equipment rental personal property does not include handheld tools or equipment solely designed for industry-specific uses in oil and gas exploration, mining, or forestry.

The exemption must be claimed annually with the assessor by February 20 (postmark is acceptable) by filing Form 5819 *Qualified Heavy Equipment Rental Personal Property Exemption Claim* and a statement prescribed by the Department of Treasury of all QHERPP located at and/or rented from the qualified renter business location. If the statement is not delivered to the assessor by February 20, a late application can be filed directly with the March Board of Review where the qualified renter business is located.

Assessors are statutorily required to transmit a copy of the claim form, indicating whether the claim was approved or denied, and any other required parcel information to the Department of Treasury no later than April 1 each year. The information must be submitted electronically by emailing to Treas-QHERPP@michigan.gov

More information is available in Bulletin 18 of 2022.

I. Small Business Taxpayer Personal Property Tax Exemption

Public Act 150 of 2021 was signed by the Governor on December 23, 2021. The Act amended the Small Business Taxpayer Personal Property Tax Exemption (MCL 211.9o) to increase the combined true cash value limit for “eligible personal property” in a local unit from \$80,000 to \$180,000 beginning in 2023. The exemption is required to be claimed with the local unit (city or township where the property is located) by February 20, 2025 (postmark is acceptable) by submitting the completed Form 5076 *Small Business Property Tax Exemption Claim Under MCL 211.9o*. Late filed forms may be filed directly with the 2026 March Board of Review prior to the closure of the March Board.

Personal Property Valued Less Than \$80,000

To claim an exemption for personal property valued less than \$80,000, Form 5076 must be filed with the local unit (City or Township) where the personal property is located no later than February 20, 2025 (postmark is acceptable).

Late filed forms may be submitted directly to the local unit March Board of Review prior to the close of the March Board of Review. Taxpayers must contact the local unit directly to confirm the specific dates for the March Board of Review.

Once granted, the exemption for personal property valued under \$80,000 will continue automatically until the taxpayer no longer qualifies. If a taxpayer no longer qualifies, they are required to file a rescission form and a personal property statement no later than February 20 of the year that the property become ineligible.

Failure to file the rescission form will result in significant penalties and interest as prescribed in MCL 211.9o.

Personal Property Valued Greater than or Equal to \$80,000 but Less than \$180,000

To claim an exemption for personal property valued at \$80,000 or more but less than \$180,000, Form 5076 **along with** Form 632 *Personal Property Statement*, must be filed **ANNUALLY** with the local unit (City or Township) where the personal property is located no later than February 20, 2025 (postmarks are acceptable).

Late filed forms may be filed directly to the local unit March Board of Review prior to the close of the March Board of Review.

Assessors are statutorily required to transmit the information contained in both Form 5076 and Form 632 *Personal Property Statement*, along with any other required parcel information, to the Department of Treasury no later than April 1 each year.

J. EMPP and ESA Reminders

Beginning in 2024, parcels that received the EMPP exemption in the immediately preceding year carry forward the exemption in each subsequent year until the property becomes ineligible for the exemption.

A Combined Document (Form 5278) must be filed to claim the EMPP exemption in 2026 only for parcels that did not receive the EMPP exemption in 2025.

Taxpayers will not report the addition or removal of exempt property on Form 5278, but rather on their ESA Statement which is filed electronically with the Department of Treasury through the Michigan Treasury Online (MTO) system.

Taxpayers may request the removal of the EMPP exemption on a parcel for the current year, by filing Form 5277 with the assessor in which the parcel is reported by February 20, 2026. Assessors should report receipt of any Form 5277 in their CAMA software. Assessors may wish to forward copies of Form 5277 to ESAREporting@michigan.gov to ensure that the parcel information is received by the Department of Treasury.

If a parcel receiving the EMPP exemption is sold, Form 5277 must be filed and reported to Treasury. Failure to do so will result in the parcel being added to new ESA Statements.

If a parcel is transferred to a new taxpayer, the previous owner must file Form 5277 to rescind the parcel under their FEIN, and the new owner will have to file Form 5278 to claim the EMPP under their FEIN. Treasury cannot transfer a parcel between accounts (based on FEIN) after ESA Statements are generated May 1st.

The ESA Section has received consent judgments entered by the Michigan Tax Tribunal for stipulated agreements between EMPP claimants and the local units in which they have personal property.

It is extremely important that any stipulated agreement filed with the Michigan Tax Tribunal:

1. Confirms that the personal property reported on the parcel meets the definition of “eligible manufacturing personal property,”
2. Clearly identify which eligible manufacturing personal property qualifies for the exemption under MCL 211.9m and MCL 211.9n
3. Directs the Department of Treasury to generate an ESA statement so that the taxpayer may pay ESA on the exempt personal property.

Assessors are advised to contact the ESA Section for a list of previous dockets that contained the appropriate requirements.

More information is available in the Assessors Guide to EMPP and ESA available online at www.michigan.gov/propertytaxexemptions.

Further information and guidance on the Eligible Manufacturing Personal Property (EMPP) Exemption, Special Acts and the Essential Services Assessment (ESA) is available at www.michigan.gov/ESA. Additional questions should be sent via email to ESAQuestions@michigan.gov.

K. Omitted or Incorrectly Reported Property (MCL 211.154)

The State Tax Commission updated all 154 Petition forms at the November 18, 2025, meeting. The following forms have been revised to include the year(s) of notice:

- Form 627 (L-4154) *Assessors or Equalization Director's Notice of Property Incorrectly Reported or Omitted from the Assessment Roll*
- Form 628 (L-4155) *Notice by Owner of Property Incorrectly Reported or Omitted from the Assessment Roll*
- Form 629 (L-4156) *Notice of Property Incorrectly Reported or Omitted from the Assessment Roll Filed by a Person Other than the Owner, Assessor or Equalization Director*

These updates will present information uniformly, reducing errors, and clearly state the years of eligible jurisdiction by the State Tax Commission as current year and the two preceding years. Forms will be updated annually. Current forms will be required for all filings.

At the same meeting, the Michigan State Tax Commission approved a revised [MCL 211.154 Omitted and Incorrectly Reported Property Frequently Asked Questions Guide](#).

Assessors are reminded that when submitting 154 petitions it is necessary to include complete copies of the property record cards for every year a change is being requested on the petition. For example, if a petition requests a change for 2023 and 2024, the property record cards for both 2023 and 2024 must be submitted.

In addition, assessors must submit all calculations and supporting documentation to explain the reasons for the requested change and the resulting adjustments to the assessed and taxable values.

For 154 petitions involving the removal of personal property, staff may request verification that the assessor inspected the personal property location or otherwise confirmed that the personal property was disposed of and was not located in the local unit on the applicable tax day. Additionally, staff may inquire as to the extent of the assessor's communication with the taxpayer to confirm that personal property was reported in the new location.

Questions can be directed to the staff at Treas-154petitions@michigan.gov. Additional information, including Bulletin 2 of 2018 and copies of the approved forms can be accessed at www.michigan.gov/154petitions.

L. Authority of July and December Boards of Review

Assessors are reminded that the July and December Boards of Review may only act on matters described in MCL 211.53b or expressly permitted by other statutes. This includes:

- Qualified errors as listed in MCL 211.53b(6)
- Appeals related to poverty exemptions, qualified agricultural property exemptions, and qualified forest property exemptions.

In addition, other statutes, such as MCL 211.7ss related to the eligible development property exemption, provide authority for the July and December Board of Review to take action.

Assessors should carefully review the Board of Review Q&A and Bulletins 21 of 2023 and 24 of 2023 to ensure their Boards of Review are acting within their statutory authorities.

Assessors should not request that the July or December Boards of Review take action beyond the limited authority provided in MCL 211.53b.

Beginning July 11, 2022, **the July and December Board of Review have no authority to grant a Principal Residence Exemption (PREs)**. Assessors are asked to ensure that the July and December Boards of Review do not take action related to PRE claims.

Beginning October 19, 2023, assessors were granted the authority to approve timely filed Disabled Veterans Exemptions, eliminating the need to submit Disabled Veteran Exemption applications to the Board of Review.

PA 152 of 2023 clarified the definition of "qualified errors" as it relates to the July and December Board of Review's authority for granting Disabled Veteran Exemptions as a "qualified error".

M. 2026 State Tax Commission Updates Class

At the August 19, 2025, meeting, the State Tax Commission approved the recommendations of the Education and Certification Committee.

To recertify for 2027 MCAT (Michigan Certified Assessing Technicians) must complete four (4) hours of continuing education (November 1, 2025 – October 31, 2026). To meet the required four (4) hours of continuing education, Technicians have the option to complete the 2026 STC Updates course, any continuing education course approved by the STC, or an STC online continuing education course of their choice (**excluding** the *Learning the HP12C Calculator* course) offered through the STC Online Education Portal. Any individual certified at the MCAT level who wishes to expand their knowledge of assessment may take additional approved assessment administration courses during the same renewal period. However, courses taken beyond the four (4) hours will not be entered into the Commission's online MiSuite System and will not count toward education credit for recertification purposes.

To recertify for 2027, MCAO, MAAO and MMAO assessors must complete the 2026 State Tax Commission Updates Course ***in addition to the 16 hours of continuing education***. The 2026 State Tax Commission Updates Course can be completed in-person or through the STC Online Education Portal.

This class will be available both in-person at various locations across the state and online through the State Tax Commission Online Education Portal at <https://coned.mi-stc.org>. The dates and locations for the in-person classes will be posted to the State Tax Commission website.

N. 2027 Online Education Portal and MiSUITE Login

STC Online Education Portal

The State Tax Commission offers a variety of online classes, available free of charge, that provide continuing education credit. The online classes can be accessed at <https://coned.mi-stc.org>. This site is only available to Michigan certified assessors and technicians. If you have an issue with your log in credentials, especially password resets, email Treas-MiSuitehelp@michigan.gov. If you require a password reset, **do not use the Forgotten Your Username or Password link on the page**. Instead, send an email to the State Tax Commission and staff will manually reset your password.

You must complete all requirements of the online course before you receive your certificate of completion. If you do not receive a certificate by email, it is likely to mean that one or more of the course requirements remains incomplete.

The requirements for the course are listed at the top of each module. As you complete each requirement it will automatically be removed from the list.

Once you have received your certificate, you are responsible for uploading it into the MiSUITE platform to receive the continuing education credit for the course.

MiSUITE

Passwords expire after 90 days. If your password is expired, you will automatically be redirected to an Update Password page upon attempting to log in. Simply create a new password, confirm that password, and click "update."

You can access MiSUITE by going to <https://sso.misuite.app>

Assessors can check continuing education hours by logging into the MiSUITE system and checking your profile page. Total hours remaining to be completed are listed on the profile page in MiSUITE as well as the completed classes that have been properly logged into the system.

Assessors are responsible for logging their own continuing education hours in MiSUITE. When logging credit, be sure to pick the correct course, date, location, and upload proof of attendance.

If you have any questions, concerns, or need further assistance, please email Treas-MiSUITEHelp@michigan.gov.

O. Assessor of Record

Form 4689 State Tax Commission Request for Changes in Personal or Employment Information for a Certified Assessor is now available in MiSuite. All certified assessing officers are required to inform the State Tax Commission of any changes to their personal or employment contact information within 30 days of assumption of duty or departure from duty. This ensures the State Tax Commission maintains accurate records and accessibility to MEG and MiSuite software.