

## COA Opinion: Property classified under single business tax act as industrial personal property depends on tax assessor's classification, rather than definition in general property tax act

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3. September 2010 By Sarah Lindsey

In *Walter Toebe Constr. Co. v. Department of Treasury*, No. 291764, published on Sept. 2, 2010, after release on July 27, 2010, the Michigan Court of Appeals considered whether property is considered industrial personal property based on the definition contained in the general property tax act ("GBTA"), rather than the assessor's classification. The now-repealed single business tax act defined industrial personal property as personal property "classified as industrial personal property" under the GBTA. Thus, the Court of Appeals concluded, the SBTA did not import the *definition* of industrial personal property from the GBTA, but rather the *classification* of the property by the tax assessor. Because the tax assessor had determined the property was commercial personal property - albeit erroneously - the Treasury Department was entitled to rely on that classification and was not required to make an independent assessment of the property.