

Michigan Chamber of Commerce Supports Legislative Investigation of Michigan Tax Tribunal

The Michigan Chamber of Commerce today expressed its support for State Senate Majority Leader Ken Sikkema's call for a review into what two judges at the Michigan Tax Tribunal told Governor Granholm was an obstruction of justice in one of the largest property tax cases in Michigan's history.

The Michigan Tax Tribunal is an administrative court that hears tax appeals on all Michigan taxes.

"Like any court, the Michigan Tax Tribunal should provide taxpayers with a fair and impartial process," said Tricia Kinley, Director of Tax Policy & Economic Development for the Michigan Chamber. "Unfortunately, recent events at the Tribunal have caused us to question whether taxpayers can expect a fair hearing."

The case in question concerns The Dow Chemical Company, which has been in an on-going property tax dispute with the City of Midland. After nine years, a majority on a three-judge panel prepared an order in favor of the taxpayer.

"Before the order was issued, Chair of the Tax Tribunal, Jack VanCoevering, injected himself into the process, despite the fact that he was not assigned to the case," noted Bob LaBrant, Senior Vice President and General Counsel for the Michigan Chamber. "Subsequently, Chairman VanCoevering issued an order against the taxpayer."

"In dismay, two of the judges on the three-judge panel, Michael Stimpson and Michael Lohmeier, sent a letter to Governor Granholm dated June 20, 2006, which alerted her to the alleged obstruction of justice," continued LaBrant. "Both Stimpson and Lohmeier were then suddenly suspended by Chairman VanCoevering and put on administrative leave."

Recently, both judges were reinstated. However, questions remain about the manner in which the case was handled and the decision that was rendered.

"We have serious questions about what appears to be a deliberate and illegitimate action to change the outcome in this case," remarked LaBrant. "All taxpayers should be troubled about what has taken place. And, indeed, everyone concerned about openness in state government should be outraged that these judges could be suspended and placed on administrative leave for blowing the whistle on a matter that may have involved obstruction of justice and due process."

"We support Senator Sikkema's effort to open a comprehensive review over just what took place in this case to ensure the integrity of the appeals process for all who come before the Tax Tribunal," concluded Kinley.

The Michigan Chamber is a statewide business organization which represents more than 6,900 employers, trade associations and local chambers of commerce. The Michigan Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process.

SOURCE: Michigan Chamber of Commerce

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