



**House
Legislative
Analysis
Section**

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ESCROW ADJUSTM'T. FOR TAX CUT

House Bill 5046

Sponsor: Rep. Willis Bullard, Jr.

Committee: Business & Finance

Complete to 10-8-93

A SUMMARY OF HOUSE BILL 5046 AS INTRODUCED 9-23-93

Public Act 125 of 1966 generally requires certain escrow information on a mortgage to be provided each year by a mortgagee (the lender) to the mortgagor (the borrower). The bill would amend the act to require a mortgagee, not later than March 1, 1994, to adjust each mortgage escrow account for the payment of property taxes to be levied in the 1994 calendar year by reducing the amount required to be escrowed for that year by either 1) the actual amount, if this could be determined, of property tax levied on the mortgaged property in 1993 for local school district and intermediate school district operating purposes, or 2) 65 percent of the total amount of property tax levied during 1993 if the actual amount could not be determined.

MCL 565.164

House Bill 5046 (10-8-93)