THE HOME RULE VILLAGE ACT (EXCERPT)
Act 278 of 1909

78.10 Annexation of entire village or township; incorporation of village from part of township; annexation of part of city, village, or township by village.

Sec. 10. Whenever an entire village or township is annexed to a village, the village to which it is annexed shall succeed to the ownership of all the property of the village or township annexed and shall assume all of its debts and liabilities, and whenever part of a city, village or township is annexed to a village the real property in the territory annexed which belongs to the city, village or township from which it is taken shall be sold by the authorities of the city, village or township in which said land was located before such annexation, and that portion of the proceeds of such sale shall be paid to the village acquiring such territory which shall be in the same ratio to the whole amount received as the assessed valuation of the taxable property in the territory annexed bears to the assessed valuation of the taxable property in the entire city, village or township from which said territory is taken: Provided, That no cemetery within such territory shall be sold; but to the extent it is owned by the city, village or township within which it was located, it shall become the property of the village to which it is annexed.

Whenever a new village is incorporated from part of a township or townships, such village shall be entitled to its pro rata share of the amount thereafter due such township or townships or due any county agency in respect of population in such township or townships from any future distribution of state sales tax receipts, gasoline and motor vehicle weight tax revenues, intangibles tax revenues, state alcoholic liquor tax revenues, or any other state funds, moneys or grants which, by law, are required to be distributed among cities, villages, townships and/or counties of the state, which pro rata distribution shall be determined as follows, to wit:

(1) According to the last federal census prior to date of distribution but since such annexation, if there be such census, showing the respective population of the township or townships and the municipalities affected;

(2) In the absence of such federal census, an official special census shall be taken of that part of the areas of each township which form the newly incorporated village and of the balance of the area of such township or townships. Such census shall be taken by enumerators appointed by the secretary of state upon application by any one of the municipalities affected by such incorporation, which census shall be taken, as near as may be, in accordance with the provisions of section 6 of Act No. 279 of the Public Acts of 1909, as amended, the ratio of population between the areas incorporated from each township to form the newly incorporated village and the remainder of the respective township or townships from which the village was incorporated, shall be the basis for determination of the pro rata share of the state funds, moneys or grants to be distributed, and the township or townships from which such incorporated village is incorporated or the county agency receiving the funds, moneys or grants in respect of population in such township or townships shall be liable to the incorporated village for its proper pro rata share of any state funds, moneys or grants received by such township or townships or such county agency, respectively, after the date of incorporation;

(3) In the absence of a federal census and in lieu of an official special census determining the respective populations of the municipalities affected by such incorporation, the newly incorporated village and each township from which the same was incorporated, may agree, by joint resolution, as to the prorating between them and between the village and any county agency receiving state funds, moneys or grants in respect of population in such township or townships of any funds, moneys, or grants distributable by the state, a certified copy of which joint resolution shall be filed in the office of the secretary of state and shall be binding upon all parties affected by said incorporation.

Whenever a part of a city, village or township is annexed to a village, the village to which such territory is annexed shall be entitled to its proper pro rata share of any of the said state funds, moneys or grants thereafter distributable under the law to the city, village or township from which said territory was detached or to any county agency receiving state funds, moneys or grants in respect of population in such township or townships, determined as follows:

(1) According to ratio of population between the area annexed and the remainder of the township, city or village from which said area was detached, as determined by the last official federal or state census showing such populations;

(2) If there be no official census by which said respective populations can be determined, then a census shall be taken of the territory detached and the remainder of the territory in the township, city or village from which it was detached as provided above in the case of a newly incorporated village;

(3) In the absence of a federal census and in lieu of taking an official special census, the village to which said territory was annexed and the cities, townships, or villages from which said territory was detached, may agree by joint resolution of their governing bodies as to the prorating of any such state funds, moneys, or grants between them and between the village and any county agency receiving said funds, moneys, or grants
in respect of population in such township or townships as provided above in the case of a newly incorporated
village, a copy of which agreement shall be filed with the secretary of state and shall thereafter be binding
upon all parties to said incorporation.

The foregoing provisions shall be used hereafter in determining the prorata distributions of any state funds,
moneys or grants between townships and/or county agencies and any village which has become newly
incorporated since the last decennial federal census, either before or after the passing of this law, and between
townships and/or county agencies and any village which has annexed territory since the last decennial federal
census, either before or after the passing of this law; but in no event shall the sharing of any distribution of
state funds, moneys, or grants made previous to the effective date of this law be altered.

The indebtedness and liabilities of every city, village, and township, a part of which shall be annexed to a
village, shall be assumed by the village to which the same is annexed in the same proportion which the
assessed valuation of the taxable property in the territory annexed bears to the assessed valuation of the
taxable property in the entire city, village or township from which such territory is taken. Assessed valuations
shall be determined in every division pursuant to this section from the last assessment roll of the city, village
or township which has been confirmed by the board of review.