

HOUSE BILL No. 5353

November 6, 1997, Introduced by Reps. Profit, Bobier, Birkholz, Hanley, Brackenridge, Middleton and Goschka and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 59 and 131 (MCL 211.59 and 211.131), section
59 as amended by 1983 PA 254 and section 131 as amended by 1993
PA 291.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 59. (1) A person may pay the taxes, any 1 of the
2 ~~several~~ taxes, a portion of the taxes ~~that is~~ specified by
3 resolution of the county board of commissioners, or if a specifi-
4 cation is not made by a resolution of the county board of
5 commissioners, a portion of the taxes ~~that is~~ approved by the
6 county treasurer —, on a parcel or description of ~~land~~
7 PROPERTY returned as delinquent, or on an undivided share of a
8 parcel or description of ~~land~~ PROPERTY returned as delinquent,
9 with interest computed from THE March 1 ~~next~~ after the taxes

1 were assessed at the rate of 1% per month or fraction of a month,
2 except as provided in section 89, with 4% of the delinquent taxes
3 as a county property tax administration fee ~~which~~ THAT shall be
4 a minimum of \$1.00 per payment of delinquent taxes, except as
5 provided in section 89, to the county treasurer of the county in
6 which the ~~lands are~~ PROPERTY IS situated, at any time before
7 ~~they are~~ THE PROPERTY IS sold OR FORFEITED. The county ~~and~~
8 ~~township treasurers~~ TREASURER AND THE TREASURER FOR THE LOCAL
9 TAX COLLECTING UNIT shall allocate and distribute the taxes and
10 interest paid proportionately among the county or ~~township~~
11 LOCAL TAX COLLECTING UNIT funds and the property tax administra-
12 tion fee returned as delinquent ~~pursuant to~~ UNDER section 44(6)
13 to the treasurer of the local TAX COLLECTING unit who transmitted
14 the ~~statement of~~ taxes returned as delinquent. On all descrip-
15 tions of ~~land on which the~~ PROPERTY WITH UNPAID taxes ~~remain~~
16 ~~unpaid~~ on THE October 1 ~~next preceding~~ BEFORE the time pre-
17 scribed for the sale OR FORFEITURE of the ~~land~~ PROPERTY, ~~there~~
18 ~~shall be charged~~ an additional \$10.00 SHALL BE CHARGED for
19 expenses, which shall ~~thereafter~~ be a lien on the ~~land~~
20 PROPERTY. ~~When~~ IF collected, \$5.00 of this expense charge
21 shall be credited to a restricted revenue fund of ~~the~~ THIS
22 state, to be known as the delinquent property tax administration
23 fund, to reimburse ~~the~~ THIS state for the cost of publishing
24 the lists of lands and other ~~expense~~ EXPENSES, and \$5.00 shall
25 belong to the general fund of the county to reimburse the county
26 for the expense incurred in preparing the list of delinquent
27 ~~lands~~ PROPERTY for sale or forfeiture. IN ADDITION, ON MARCH 1

1 IN THE THIRD YEAR OF DELINQUENCY, A \$15.00 TITLE SEARCH FEE SHALL
2 BE CHARGED, WHICH SHALL BE A LIEN ON THE PROPERTY. IF COLLECTED,
3 THE TITLE SEARCH FEE SHALL BE CREDITED TO THE DELINQUENT PROPERTY
4 TAX ADMINISTRATION FUND TO REIMBURSE THIS STATE FOR THE COST OF
5 TITLE SEARCHES AND OTHER EXPENSES.

6 (2) The ~~county~~ property tax administration fee paid to the
7 county treasurer shall ~~belong~~ BE CREDITED to the general fund
8 of the county and ~~that~~ THE PROPERTY TAX ADMINISTRATION FEE paid
9 to the state treasurer shall be credited to the delinquent prop-
10 erty tax administration fund. Amounts credited to the general
11 fund of the county shall be used only for the purposes ~~for which~~
12 ~~they may be collected as~~ specified ~~by~~ IN subsection (6).

13 (3) A county board of commissioners, by resolution, may pro-
14 vide ~~that~~ ALL OF THE FOLLOWING for taxes paid BEFORE MAY 1 in
15 the first year of delinquency ~~before May 1~~ for the homestead
16 property ~~for which~~ OF a senior citizen, paraplegic, HEMIPLEGIC,
17 quadriplegic, eligible serviceman, eligible veteran, eligible
18 widow, totally and permanently disabled person, or blind person,
19 as those persons are defined in chapter 9 of ~~Act No. 281 of the~~
20 ~~Public Acts of 1967, as amended, being sections 206.501 to~~
21 ~~206.532 of the Michigan Compiled Laws~~ THE INCOME TAX ACT OF
22 1967, 1967 PA 281, MCL 206.501 TO 206.532, ~~makes~~ IF a claim ~~—~~
23 IS MADE before February 15 ~~—~~, for the credit provided by
24 chapter 9 of ~~Act No. 281 of the Public Acts of 1967, as amended~~
25 THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.501 TO 206.532,
26 if that claimant presents a copy of the form filed for that

1 credit to the county treasurer, AND IF THAT CLAIMANT has not
2 received the credit before March 1:

3 (a) Any interest, fee, or penalty in excess of the interest,
4 fee, or penalty that would have been added if the tax had been
5 paid before February 15 ~~shall be~~ IS waived.

6 (b) Interest paid ~~pursuant to~~ UNDER subsection (1) or sec-
7 tion 89(1)(a) ~~shall be~~ IS waived unless the interest is pledged
8 to the repayment of delinquent tax revolving fund notes or pay-
9 able to the county delinquent tax revolving fund, in which case
10 the interest shall be refunded from the general fund of the
11 county.

12 (c) The county property tax administration fee ~~shall be~~ IS
13 waived.

14 (4) The ~~local~~ treasurer OF THE LOCAL TAX COLLECTING UNIT
15 shall indicate on the delinquent tax roll if a 1% property tax
16 administration fee was added to taxes collected before
17 February 15.

18 (5) The fees authorized and collected ~~pursuant to~~ UNDER
19 this section and credited to the delinquent property tax adminis-
20 tration fund shall be used by the department of treasury to pay
21 expenses incurred in the administration of this act.

22 (6) The county property tax administration fee shall be used
23 by the county to offset the costs incurred in and ancillary to
24 collecting delinquent property taxes ~~—~~ and for purposes autho-
25 rized by sections 87b and 87d.

26 Sec. 131. (1) The director of the department of natural
27 resources may ~~, with the approval of the commission of natural~~

1 ~~resources,~~ withhold from sale any ~~land~~ PROPERTY that he or she
2 determines to be suitable for state forests, state parks, state
3 game refuges, public hunting, or recreational grounds. The
4 director OF THE DEPARTMENT OF NATURAL RESOURCES may set a minimum
5 price for ~~land~~ PROPERTY not withheld from sale. Except as pro-
6 vided in subsection (2), all ~~land~~ PROPERTY not withheld from
7 sale and not held by a ~~city or village~~ LOCAL TAX COLLECTING
8 UNIT shall be offered for sale by the director OF THE DEPARTMENT
9 OF NATURAL RESOURCES, at a price to be determined by the director
10 OF THE DEPARTMENT OF NATURAL RESOURCES, pursuant to ~~Act No. 21~~
11 ~~of the Public Acts of 1873, as amended, being sections 322.261 to~~
12 ~~322.266 of the Michigan Compiled Laws~~ 1873 PA 21, MCL 322.261 TO
13 322.266. A bid shall not be accepted for less than the minimum
14 price set by the director OF THE DEPARTMENT OF NATURAL
15 RESOURCES. If no bids are received or accepted by the director
16 of the department of natural resources, the director OF THE
17 DEPARTMENT OF NATURAL RESOURCES may sell the ~~land~~ PROPERTY to a
18 person applying ~~for the~~ TO purchase ~~of~~ the ~~land~~ PROPERTY at
19 a price not less than the minimum price affixed by the director
20 OF THE DEPARTMENT OF NATURAL RESOURCES. THE DEPARTMENT OF NATU-
21 RAL RESOURCES SHALL RECORD A DEED FOR THE PROPERTY SOLD WITH THE
22 REGISTER OF DEEDS FOR THE COUNTY IN WHICH THE PROPERTY IS
23 LOCATED. The proceeds of the sale, after deducting costs paid by
24 the department of natural resources for maintaining the ~~land~~
25 PROPERTY in condition to protect the public health and safety,
26 shall be accounted for to the state, county, ~~township~~ LOCAL TAX
27 COLLECTING UNIT, and school district in which the ~~land~~ PROPERTY

1 is situated, pro rata according to their ~~several~~ interests in
2 the ~~land~~ PROPERTY arising from the nonpayment of taxes and spe-
3 cial assessments on the ~~land~~ PROPERTY as that interest appears
4 in the offices of the state, county, city, and ~~village~~ LOCAL
5 TAX COLLECTING UNIT treasurers. A person who purchases ~~land~~
6 PROPERTY under this section shall, in addition to paying the pur-
7 chase price, pay to the state a fee of \$10.00 per parcel of
8 ~~land~~ PROPERTY purchased, plus 5% of the purchase price, PLUS
9 THE RECORDING FEE FOR EACH DEED RECORDED. The \$10.00 charge and
10 5% of the purchase price shall be deposited in the ~~state~~
11 ~~treasury~~ GENERAL FUND to the credit of the delinquent property
12 tax administration fund.

13 (2) A local tax collecting unit or a county may file an
14 application with the department of natural resources requesting
15 the conveyance to the local tax collecting unit, the county, or a
16 designated recipient of property identified as certified special
17 residential property under section 55a and for which the redemp-
18 tion period provided for under section 74 has expired. A county
19 filing an application under this subsection shall provide a copy
20 of the application at the time of filing to the certified special
21 residential property officer of the local tax collecting unit.
22 Not later than 45 days after the filing of a county's applica-
23 tion, the local tax collecting unit may file an application cer-
24 tifying that a specific parcel included in the county's applica-
25 tion is a designated parcel and requesting the conveyance of that
26 parcel to the local tax collecting unit. An application
27 certifying that a parcel is a designated parcel supersedes the

1 application of the county with respect to the parcel for which a
2 certification is made.

3 (3) Property for which an application is received under sub-
4 section (2) shall be conveyed by the director of the department
5 of natural resources to the local tax collecting unit, to the
6 county in which the land is located, or to a designated recipient
7 OF THE LOCAL TAX COLLECTING UNIT, whichever is applicable, within
8 90 days after the expiration of the redemption period provided
9 for under section 131e upon the payment of an administration fee
10 of \$75.00 for up to 5 parcels and \$10.00 for each additional
11 parcel over 5. A designated party that is determined by the cer-
12 tified special residential property officer of the local tax col-
13 lecting unit or the county, whichever is applicable, to be pri-
14 marily responsible for the identification of the certified spe-
15 cial residential property shall be offered the right to become a
16 designated recipient of that property before any other designated
17 recipient is appointed by the local tax collecting unit or the
18 county. However, this subsection does not require a local tax
19 collecting unit, a county, or a designated recipient to accept a
20 conveyance of property. A local tax collecting unit or county
21 that receives certified special residential property under this
22 act may convey that property to a designated party for a nominal
23 fee and the conveyance shall be considered to have been made for
24 the public purpose of eliminating neighborhood deterioration and
25 blight.

1 Enacting section 1. This amendatory act does not take
2 effect unless all of the following bills of the 89th Legislature
3 are enacted into law:

4 (a) Senate Bill No. _____ or House Bill No. _____ (request
5 no. 03098'97 *).

6 (b) Senate Bill No. _____ or House Bill No. _____ (request
7 no. 04766'97).