

SUBSTITUTE FOR
HOUSE BILL NO. 4710

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 78g (MCL 211.78g), as added by 1999 PA 123.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 78g. (1) ~~On~~ EXCEPT AS OTHERWISE PROVIDED IN THIS
2 SUBSECTION, ON March 1 in each tax year, certified abandoned
3 property and property that is delinquent for taxes, interest,
4 penalties, and fees for the immediately preceding 12 months or
5 more is forfeited to the county treasurer for the total amount of
6 those unpaid delinquent taxes, interest, ~~fees, and~~ penalties,
7 AND FEES. If property is forfeited to a county treasurer under
8 this subsection, the county treasurer does not have a right to
9 possession of the property until 21 days after a judgment of
10 foreclosure is entered under section 78k. If property is
11 forfeited to a county treasurer under this subsection, the county

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1 treasurer shall add a \$175.00 fee, as adjusted under section 78p,
2 to each parcel of property for which those delinquent taxes,
3 interest, penalties, and fees remain unpaid. A COUNTY TREASURER
4 SHALL WITHHOLD A PARCEL OF PROPERTY FROM FORFEITURE IF THAT PROP-
5 ERTY IS THE SUBJECT OF AN APPEAL OF THE DENIAL OF A HOMESTEAD
6 EXEMPTION UNDER SECTION 7CC ON THE MARCH 1 FORFEITURE DATE FOR
7 TAXES TO BE FORFEITED ON THAT FORFEITURE DATE AND IF THE PROPERTY
8 OWNER CLAIMING THE HOMESTEAD EXEMPTION HAS NOT PREVIOUSLY
9 APPEALED THE DENIAL OF A HOMESTEAD EXEMPTION FOR THAT PROPERTY.
10 A COUNTY TREASURER MAY WITHHOLD A PARCEL OF PROPERTY FROM FORFEI-
11 TURE IF THAT PROPERTY IS THE SUBJECT OF AN APPEAL OF THE DENIAL
12 OF A HOMESTEAD EXEMPTION UNDER SECTION 7CC ON THE MARCH 1 FORFEI-
13 TURE DATE FOR TAXES TO BE FORFEITED ON THAT FORFEITURE DATE
14 WHETHER OR NOT THE PROPERTY OWNER CLAIMING THE HOMESTEAD EXEMP-
15 TION HAS PREVIOUSLY APPEALED THE DENIAL OF A HOMESTEAD EXEMPTION
16 FOR THAT PROPERTY OR FOR ANY OTHER REASON DETERMINED BY THE STATE
17 TAX COMMISSION. THE PROCEDURE FOR WITHHOLDING A PARCEL OF PROP-
18 ERTY FROM FORFEITURE UNDER THIS SUBSECTION SHALL BE DETERMINED BY
19 THE STATE TAX COMMISSION.

20 (2) Not more than 45 days after property is forfeited under
21 subsection (1), the county treasurer shall record with the county
22 register of deeds a certificate in a form determined by the state
23 treasurer for each parcel of property forfeited to the county
24 treasurer, specifying that the property has been forfeited to the
25 county treasurer and not redeemed and that absolute title to the
26 property shall vest in the county treasurer 21 days after entry
27 of a judgment of foreclosure under section 78k. IF A CERTIFICATE

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1 OF FORFEITURE IS RECORDED IN ERROR, THE COUNTY TREASURER SHALL
2 RECORD WITH THE COUNTY REGISTER OF DEEDS A CERTIFICATE OF ERROR
3 IN A FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. A CERTIFI-
4 CATE SUBMITTED TO THE COUNTY REGISTER OF DEEDS FOR RECORDING
5 UNDER THIS SUBSECTION NEED NOT BE NOTARIZED AND MAY BE AUTHENTI-
6 CATED BY A DIGITAL SIGNATURE OF THE COUNTY TREASURER OR BY OTHER
7 ELECTRONIC MEANS. If the county has elected under section 78 to
8 have this state foreclose property under this act forfeited to
9 the county treasurer under this section, the county treasurer
10 shall immediately transmit to the state treasurer a copy of each
11 certificate recorded under this subsection. The county treasurer
12 shall upon collection transmit to the state treasurer within 30
13 days the fee added to each parcel under section 78g(1), which may
14 be paid from the county's delinquent tax revolving fund and shall
15 be deposited in the land reutilization fund created under
16 section 78n.

17 (3) Property forfeited to the county treasurer under subsec-
18 tion (1) may be redeemed at any time before 21 days after the
19 entry of judgment foreclosing the property under section 78k upon
20 payment to the county treasurer of all of the following:

21 (a) The total amount of unpaid delinquent taxes, interest,
22 penalties, and fees for which the property was forfeited.

23 (b) In addition to the interest calculated under sections
24 60a(1) or (2) and 78a(3), additional interest computed at a non-
25 compounded rate of 1/2% per month or fraction of a month on the
26 taxes that were originally returned as delinquent, computed from
27 the March 1 preceding the forfeiture.

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1 (c) All recording fees and all fees for service of process
2 or notice.

3 (4) IF PROPERTY IS REDEEMED BY A PERSON WITH A LEGAL INTER-
4 EST AS PROVIDED UNDER SUBSECTION (3), ANY UNPAID TAXES NOT
5 RETURNED AS DELINQUENT TO THE COUNTY TREASURER UNDER SECTION 78A
6 ARE NOT EXTINGUISHED.

7 (5) ~~(4)~~ If property is redeemed by a person with a legal
8 interest as provided under subsection (3), the person redeeming
9 does not acquire a title or interest in the property greater than
10 that person would have had if the property had not been forfeited
11 to the county treasurer, but the person redeeming, other than the
12 owner, is entitled to a lien for the amount paid to redeem the
13 property in addition to any other lien or interest the person may
14 have, which shall be recorded within 30 days with the register of
15 deeds BY THE PERSON ENTITLED TO THE LIEN. The lien acquired
16 shall have the same priority as the existing lien, title, or
17 interest.

18 (6) ~~(5)~~ If property is redeemed as provided under subsec-
19 tion (3), the county treasurer shall issue a redemption certifi-
20 cate in quadruplicate in a form prescribed by the department of
21 treasury. One of the quadruplicate certificates shall be deliv-
22 ered to the person making the redemption payment, 1 shall be
23 filed in the office of the county treasurer, 1 shall be recorded
24 in the office of the county register of deeds, and 1 shall be
25 immediately transmitted to the department of treasury IF THIS
26 STATE IS THE FORECLOSING GOVERNMENTAL UNIT. The county treasurer
27 shall also make a note of the redemption certificate in the tax

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1 record kept in his or her office, with the name of the person
2 making the FINAL redemption payment, the date of the payment, and
3 the amount paid. IF THE COUNTY TREASURER ACCEPTS PARTIAL REDEMP-
4 TION PAYMENTS, THE COUNTY TREASURER SHALL INCLUDE IN THE TAX
5 RECORD KEPT IN HIS OR HER OFFICE THE NAME OF THE PERSON OR PER-
6 SONS MAKING EACH PARTIAL REDEMPTION PAYMENT, THE DATE OF EACH
7 PARTIAL REDEMPTION PAYMENT, THE AMOUNT OF EACH PARTIAL REDEMPTION
8 PAYMENT, AND THE TOTAL AMOUNT OF ALL REDEMPTION PAYMENTS. A cer-
9 tificate and the entry of the certificate in the tax record by
10 the county treasurer is prima facie evidence of a redemption pay-
11 ment in the courts of this state. A CERTIFICATE SUBMITTED TO THE
12 COUNTY REGISTER OF DEEDS FOR RECORDING UNDER THIS SUBSECTION NEED
13 NOT BE NOTARIZED AND MAY BE AUTHENTICATED BY A DIGITAL SIGNATURE
14 OF THE COUNTY TREASURER OR BY OTHER ELECTRONIC MEANS. IF A
15 REDEMPTION CERTIFICATE IS RECORDED IN ERROR, THE COUNTY TREASURER
16 SHALL RECORD WITH THE COUNTY REGISTER OF DEEDS A CERTIFICATE OF
17 ERROR IN A FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. A COPY
18 OF A CERTIFICATE OF ERROR RECORDED UNDER THIS SECTION SHALL BE
19 IMMEDIATELY TRANSFERRED TO THE DEPARTMENT OF TREASURY IF THIS
20 STATE IS THE FORECLOSING GOVERNMENTAL UNIT.