

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4930**

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 27a (MCL 211.27a), as amended by 2015 PA 19.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 27a. (1) Except as otherwise provided in this section,  
2 property shall be assessed at 50% of its true cash value under  
3 section 3 of article IX of the state constitution of 1963.

4           (2) Except as otherwise provided in subsection (3), for taxes  
5 levied in 1995 and for each year after 1995, the taxable value of  
6 each parcel of property is the lesser of the following:

7           (a) The property's taxable value in the immediately preceding  
8 year minus any losses, multiplied by the lesser of 1.05 or the  
9 inflation rate, plus all additions. For taxes levied in 1995, the  
10 property's taxable value in the immediately preceding year is the

1 property's state equalized valuation in 1994.

2 (b) The property's current state equalized valuation.

3 (3) Upon a transfer of ownership of property after 1994, the  
4 property's taxable value for the calendar year following the year  
5 of the transfer is the property's state equalized valuation for the  
6 calendar year following the transfer.

7 (4) If the taxable value of property is adjusted under  
8 subsection (3), a subsequent increase in the property's taxable  
9 value is subject to the limitation set forth in subsection (2)  
10 until a subsequent transfer of ownership occurs. If the taxable  
11 value of property is adjusted under subsection (3) and the assessor  
12 determines that there had not been a transfer of ownership, the  
13 taxable value of the property shall be adjusted at the July or  
14 December board of review. Notwithstanding the limitation provided  
15 in section 53b(1) on the number of years for which a correction may  
16 be made, the July or December board of review may adjust the  
17 taxable value of property under this subsection for the current  
18 year and for the 3 immediately preceding calendar years. A  
19 corrected tax bill shall be issued for each tax year for which the  
20 taxable value is adjusted by the local tax collecting unit if the  
21 local tax collecting unit has possession of the tax roll or by the  
22 county treasurer if the county has possession of the tax roll. For  
23 purposes of section 53b, an adjustment under this subsection shall  
24 be considered the correction of a clerical error.

25 (5) Assessment of property, as required in this section and  
26 section 27, is inapplicable to the assessment of property subject  
27 to the levy of ad valorem taxes within voted tax limitation

1 increases to pay principal and interest on limited tax bonds issued  
2 by any governmental unit, including a county, township, community  
3 college district, or school district, before January 1, 1964, if  
4 the assessment required to be made under this act would be less  
5 than the assessment as state equalized prevailing on the property  
6 at the time of the issuance of the bonds. This inapplicability  
7 continues until levy of taxes to pay principal and interest on the  
8 bonds is no longer required. The assessment of property required by  
9 this act applies for all other purposes.

10 (6) As used in this act, "transfer of ownership" means the  
11 conveyance of title to or a present interest in property, including  
12 the beneficial use of the property, the value of which is  
13 substantially equal to the value of the fee interest. Transfer of  
14 ownership of property includes, but is not limited to, the  
15 following:

16 (a) A conveyance by deed.

17 (b) A conveyance by land contract. The taxable value of  
18 property conveyed by a land contract executed after December 31,  
19 1994 shall be adjusted under subsection (3) for the calendar year  
20 following the year in which the contract is entered into and shall  
21 not be subsequently adjusted under subsection (3) when the deed  
22 conveying title to the property is recorded in the office of the  
23 register of deeds in the county in which the property is located.

24 (c) A conveyance to a trust after December 31, 1994, except  
25 under any of the following conditions:

26 (i) If the settlor or the settlor's spouse, or both, conveys  
27 the property to the trust and the sole present beneficiary or

1 beneficiaries are the settlor or the settlor's spouse, or both.

2       (ii) Beginning December 31, 2014, for residential real  
3 property, if the settlor or the settlor's spouse, or both, conveys  
4 the residential real property to the trust and the sole present  
5 beneficiary or beneficiaries are the settlor's or the settlor's  
6 spouse's mother, father, brother, sister, son, daughter, adopted  
7 son, adopted daughter, grandson, or granddaughter and the  
8 residential real property is not used for any commercial purpose  
9 following the conveyance. Upon request by the department of  
10 treasury or the assessor, the sole present beneficiary or  
11 beneficiaries shall furnish proof within 30 days that the sole  
12 present beneficiary or beneficiaries meet the requirements of this  
13 subparagraph. If a present beneficiary fails to comply with a  
14 request by the department of treasury or assessor under this  
15 subparagraph, that present beneficiary is subject to a fine of  
16 \$200.00.

17       (d) A conveyance by distribution from a trust, except under  
18 any of the following conditions:

19       (i) If the distributee is the sole present beneficiary or the  
20 spouse of the sole present beneficiary, or both.

21       (ii) Beginning December 31, 2014, a distribution of  
22 residential real property if the distributee is the settlor's or  
23 the settlor's spouse's mother, father, brother, sister, son,  
24 daughter, adopted son, adopted daughter, grandson, or granddaughter  
25 and the residential real property is not used for any commercial  
26 purpose following the conveyance. Upon request by the department of  
27 treasury or the assessor, the sole present beneficiary or

1 beneficiaries shall furnish proof within 30 days that the sole  
2 present beneficiary or beneficiaries meet the requirements of this  
3 subparagraph. If a present beneficiary fails to comply with a  
4 request by the department of treasury or assessor under this  
5 subparagraph, that present beneficiary is subject to a fine of  
6 \$200.00.

7 (e) A change in the sole present beneficiary or beneficiaries  
8 of a trust, except under any of the following conditions:

9 (i) A change that adds or substitutes the spouse of the sole  
10 present beneficiary.

11 (ii) Beginning December 31, 2014, for residential real  
12 property, a change that adds or substitutes the settlor's or the  
13 settlor's spouse's mother, father, brother, sister, son, daughter,  
14 adopted son, adopted daughter, grandson, or granddaughter and the  
15 residential real property is not used for any commercial purpose  
16 following the conveyance. Upon request by the department of  
17 treasury or the assessor, the sole present beneficiary or  
18 beneficiaries shall furnish proof within 30 days that the sole  
19 present beneficiary or beneficiaries meet the requirements of this  
20 subparagraph. If a present beneficiary fails to comply with a  
21 request by the department of treasury or assessor under this  
22 subparagraph, that present beneficiary is subject to a fine of  
23 \$200.00.

24 (f) A conveyance by distribution under a will or by intestate  
25 succession, except under any of the following conditions:

26 (i) If the distributee is the decedent's spouse.

27 (ii) Beginning December 31, 2014, for residential real

1 property, if the distributee is the decedent's or the decedent's  
2 spouse's mother, father, brother, sister, son, daughter, adopted  
3 son, adopted daughter, grandson, or granddaughter and the  
4 residential real property is not used for any commercial purpose  
5 following the conveyance. Upon request by the department of  
6 treasury or the assessor, the sole present beneficiary or  
7 beneficiaries shall furnish proof within 30 days that the sole  
8 present beneficiary or beneficiaries meet the requirements of this  
9 subparagraph. If a present beneficiary fails to comply with a  
10 request by the department of treasury or assessor under this  
11 subparagraph, that present beneficiary is subject to a fine of  
12 \$200.00.

13 (g) A conveyance by lease if the total duration of the lease,  
14 including the initial term and all options for renewal, is more  
15 than 35 years or the lease grants the lessee a bargain purchase  
16 option. As used in this subdivision, "bargain purchase option"  
17 means the right to purchase the property at the termination of the  
18 lease for not more than 80% of the property's projected true cash  
19 value at the termination of the lease. After December 31, 1994, the  
20 taxable value of property conveyed by a lease with a total duration  
21 of more than 35 years or with a bargain purchase option shall be  
22 adjusted under subsection (3) for the calendar year following the  
23 year in which the lease is entered into. This subdivision does not  
24 apply to personal property except buildings described in section  
25 14(6) and personal property described in section 8(h), (i), and  
26 (j). This subdivision does not apply to that portion of the  
27 property not subject to the leasehold interest conveyed.

1           (h) Except as otherwise provided in this subdivision, a  
2 conveyance of an ownership interest in a corporation, partnership,  
3 sole proprietorship, limited liability company, limited liability  
4 partnership, or other legal entity if the ownership interest  
5 conveyed is more than 50% of the corporation, partnership, sole  
6 proprietorship, limited liability company, limited liability  
7 partnership, or other legal entity. Unless notification is provided  
8 under subsection (10), the corporation, partnership, sole  
9 proprietorship, limited liability company, limited liability  
10 partnership, or other legal entity shall notify the assessing  
11 officer on a form provided by the state tax commission not more  
12 than 45 days after a conveyance of an ownership interest that  
13 constitutes a transfer of ownership under this subdivision. Both of  
14 the following apply to a corporation subject to 1897 PA 230, MCL  
15 455.1 to 455.24:

16           (i) A transfer of stock of the corporation is a transfer of  
17 ownership only with respect to the real property that is assessed  
18 to the transferor lessee stockholder.

19           (ii) A cumulative conveyance of more than 50% of the  
20 corporation's stock does not constitute a transfer of ownership of  
21 the corporation's real property.

22           (i) A transfer of property held as a tenancy in common, except  
23 that portion of the property not subject to the ownership interest  
24 conveyed.

25           (j) A conveyance of an ownership interest in a cooperative  
26 housing corporation, except that portion of the property not  
27 subject to the ownership interest conveyed.

1 (7) Transfer of ownership does not include the following:

2 (a) The transfer of property from 1 spouse to the other spouse  
3 or from a decedent to a surviving spouse.

4 (b) A transfer from a husband, a wife, or a ~~husband and wife~~  
5 **MARRIED COUPLE** creating or disjoining a tenancy by the entireties  
6 in the grantors or the grantor and his or her spouse.

7 (c) ~~A-SUBJECT TO SUBDIVISION (D)~~, A transfer of that portion  
8 of property subject to a life estate or life lease retained by the  
9 transferor, until expiration or termination of the life estate or  
10 life lease. That portion of property transferred that is not  
11 subject to a life lease shall be adjusted under subsection (3).

12 (D) BEGINNING DECEMBER 31, 2014, A TRANSFER OF THAT PORTION OF  
13 RESIDENTIAL REAL PROPERTY THAT HAD BEEN SUBJECT TO A LIFE ESTATE OR  
14 LIFE LEASE RETAINED BY THE TRANSFEROR RESULTING FROM EXPIRATION OR  
15 TERMINATION OF THAT LIFE ESTATE OR LIFE LEASE, IF THE TRANSFEREE IS  
16 THE TRANSFEROR'S OR TRANSFEROR'S SPOUSE'S MOTHER, FATHER, BROTHER,  
17 SISTER, SON, DAUGHTER, ADOPTED SON, ADOPTED DAUGHTER, GRANDSON, OR  
18 GRANDDAUGHTER AND THE RESIDENTIAL REAL PROPERTY IS NOT USED FOR ANY  
19 COMMERCIAL PURPOSE FOLLOWING THE TRANSFER. UPON REQUEST BY THE  
20 DEPARTMENT OF TREASURY OR THE ASSESSOR, THE TRANSFEREE SHALL  
21 FURNISH PROOF WITHIN 30 DAYS THAT THE TRANSFEREE MEETS THE  
22 REQUIREMENTS OF THIS SUBDIVISION. IF A TRANSFEREE FAILS TO COMPLY  
23 WITH A REQUEST BY THE DEPARTMENT OF TREASURY OR ASSESSOR UNDER THIS  
24 SUBDIVISION, THAT TRANSFEREE IS SUBJECT TO A FINE OF \$200.00.

25 (E) ~~(d)~~A transfer through foreclosure or forfeiture of a  
26 recorded instrument under chapter 31, 32, or 57 of the revised  
27 judicature act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and



1 MCL 600.5701 to 600.5759, or through deed or conveyance in lieu of  
2 a foreclosure or forfeiture, until the mortgagee or land contract  
3 vendor subsequently transfers the property. If a mortgagee does not  
4 transfer the property within 1 year of the expiration of any  
5 applicable redemption period, the property shall be adjusted under  
6 subsection (3).

7 (F) ~~(e)~~—A transfer by redemption by the person to whom taxes  
8 are assessed of property previously sold for delinquent taxes.

9 (G) ~~(f)~~—A conveyance to a trust if the settlor or the  
10 settlor's spouse, or both, conveys the property to the trust and  
11 any of the following conditions are satisfied:

12 (i) If the sole present beneficiary of the trust is the  
13 settlor or the settlor's spouse, or both.

14 (ii) Beginning December 31, 2014, for residential real  
15 property, if the sole present beneficiary of the trust is the  
16 settlor's or the settlor's spouse's mother, father, brother,  
17 sister, son, daughter, adopted son, adopted daughter, grandson, or  
18 granddaughter and the residential real property is not used for any  
19 commercial purpose following the conveyance. Upon request by the  
20 department of treasury or the assessor, the sole present  
21 beneficiary or beneficiaries shall furnish proof within 30 days  
22 that the sole present beneficiary or beneficiaries meet the  
23 requirements of this subparagraph. If a present beneficiary fails  
24 to comply with a request by the department of treasury or assessor  
25 under this subparagraph, that present beneficiary is subject to a  
26 fine of \$200.00.

27 (H) ~~(g)~~—A transfer pursuant to a judgment or order of a court

1 of record making or ordering a transfer, unless a specific monetary  
2 consideration is specified or ordered by the court for the  
3 transfer.

4 (I) ~~(h)~~—A transfer creating or terminating a joint tenancy  
5 between 2 or more persons if at least 1 of the persons was an  
6 original owner of the property before the joint tenancy was  
7 initially created and, if the property is held as a joint tenancy  
8 at the time of conveyance, at least 1 of the persons was a joint  
9 tenant when the joint tenancy was initially created and that person  
10 has remained a joint tenant since the joint tenancy was initially  
11 created. A joint owner at the time of the last transfer of  
12 ownership of the property is an original owner of the property. For  
13 purposes of this subdivision, a person is an original owner of  
14 property owned by that person's spouse.

15 (J) ~~(i)~~—A transfer for security or an assignment or discharge  
16 of a security interest.

17 (K) ~~(j)~~—A transfer of real property or other ownership  
18 interests among members of an affiliated group. As used in this  
19 subsection, "affiliated group" means 1 or more corporations  
20 connected by stock ownership to a common parent corporation. Upon  
21 request by the state tax commission, a corporation shall furnish  
22 proof within 45 days that a transfer meets the requirements of this  
23 subdivision. A corporation that fails to comply with a request by  
24 the state tax commission under this subdivision is subject to a  
25 fine of \$200.00.

26 (L) ~~(k)~~—Normal public trading of shares of stock or other  
27 ownership interests that, over any period of time, cumulatively

1 represent more than 50% of the total ownership interest in a  
2 corporation or other legal entity and are traded in multiple  
3 transactions involving unrelated individuals, institutions, or  
4 other legal entities.

5 (M) ~~(l)~~—A transfer of real property or other ownership  
6 interests among corporations, partnerships, limited liability  
7 companies, limited liability partnerships, or other legal entities  
8 if the entities involved are commonly controlled. Upon request by  
9 the state tax commission, a corporation, partnership, limited  
10 liability company, limited liability partnership, or other legal  
11 entity shall furnish proof within 45 days that a transfer meets the  
12 requirements of this subdivision. A corporation, partnership,  
13 limited liability company, limited liability partnership, or other  
14 legal entity that fails to comply with a request by the state tax  
15 commission under this subdivision is subject to a fine of \$200.00.

16 (N) ~~(m)~~—A direct or indirect transfer of real property or  
17 other ownership interests resulting from a transaction that  
18 qualifies as a tax-free reorganization under section 368 of the  
19 internal revenue code, 26 USC 368. Upon request by the state tax  
20 commission, a property owner shall furnish proof within 45 days  
21 that a transfer meets the requirements of this subdivision. A  
22 property owner who fails to comply with a request by the state tax  
23 commission under this subdivision is subject to a fine of \$200.00.

24 (O) ~~(n)~~—A transfer of qualified agricultural property, if the  
25 person to whom the qualified agricultural property is transferred  
26 files an affidavit with the assessor of the local tax collecting  
27 unit in which the qualified agricultural property is located and

1 with the register of deeds for the county in which the qualified  
2 agricultural property is located attesting that the qualified  
3 agricultural property will remain qualified agricultural property.  
4 The affidavit under this subdivision shall be in a form prescribed  
5 by the department of treasury. An owner of qualified agricultural  
6 property shall inform a prospective buyer of that qualified  
7 agricultural property that the qualified agricultural property is  
8 subject to the recapture tax provided in the agricultural property  
9 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the  
10 qualified agricultural property is converted by a change in use, as  
11 that term is defined in section 2 of the agricultural property  
12 recapture act, 2000 PA 261, MCL 211.1002. If property ceases to be  
13 qualified agricultural property at any time after being  
14 transferred, all of the following shall occur:

15 (i) The taxable value of that property shall be adjusted under  
16 subsection (3) as of the December 31 in the year that the property  
17 ceases to be qualified agricultural property.

18 (ii) The property is subject to the recapture tax provided for  
19 under the agricultural property recapture act, 2000 PA 261, MCL  
20 211.1001 to 211.1007.

21 (P) ~~(e)~~—A transfer of qualified forest property, if the person  
22 to whom the qualified forest property is transferred files a  
23 qualified forest taxable value affidavit with the assessor of the  
24 local tax collecting unit in which the qualified forest property is  
25 located and with the register of deeds for the county in which the  
26 qualified forest property is located attesting that the qualified  
27 forest property will remain qualified forest property. The

1 qualified forest taxable value affidavit under this subdivision  
2 shall be in a form prescribed by the department of agriculture and  
3 rural development. The qualified forest taxable value affidavit  
4 shall include a legal description of the qualified forest property,  
5 the name of the new property owner, the year the transfer of the  
6 property occurred, a statement indicating that the property owner  
7 is attesting that the property for which the exemption is claimed  
8 is qualified forest property and will be managed according to the  
9 approved forest management plan, and any other information  
10 pertinent to the parcel and the property owner. The property owner  
11 shall provide a copy of the qualified forest taxable value  
12 affidavit to the department. The department shall provide 1 copy of  
13 the qualified forest taxable value affidavit to the local tax  
14 collecting unit, 1 copy to the conservation district, and 1 copy to  
15 the department of treasury. These copies may be sent  
16 electronically. The exception to the recognition of a transfer of  
17 ownership, as herein stated, extends to the land only of the  
18 qualified forest property. If qualified forest property is improved  
19 by buildings, structures, or land improvements, then those  
20 improvements shall be recognized as a transfer of ownership, in  
21 accordance with the provisions of section 7jj[1]. An owner of  
22 qualified forest property shall inform a prospective buyer of that  
23 qualified forest property that the qualified forest property is  
24 subject to the recapture tax provided in the qualified forest  
25 property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036,  
26 if the qualified forest property is converted by a change in use,  
27 as that term is defined in section 2 of the qualified forest

1 property recapture tax act, 2006 PA 379, MCL 211.1032. If property  
2 ceases to be qualified forest property at any time after being  
3 transferred, all of the following shall occur:

4 (i) The taxable value of that property shall be adjusted under  
5 subsection (3) as of the December 31 in the year that the property  
6 ceases to be qualified forest property, except to the extent that  
7 the transfer of the qualified forest property would not have been  
8 considered a transfer of ownership under this subsection.

9 (ii) Except as otherwise provided in subparagraph (iii), the  
10 property is subject to the recapture tax provided for under the  
11 qualified forest property recapture tax act, 2006 PA 379, MCL  
12 211.1031 to 211.1036.

13 (iii) Beginning June 1, 2013 and ending November 30, 2013,  
14 owners of property enrolled as qualified forest property before  
15 January 1, 2013 may execute a new qualified forest taxable value  
16 affidavit with the department of agriculture and rural development.  
17 If a landowner elects to execute a qualified forest taxable value  
18 affidavit, that owner is not required to pay the \$50.00 fee  
19 required under section 7jj[1](2). If a landowner elects not to  
20 execute a qualified forest taxable value affidavit, the existing  
21 affidavit shall be rescinded, without subjecting the property to  
22 the recapture tax provided for under the qualified forest property  
23 recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036, and the  
24 taxable value of that property shall be adjusted under subsection  
25 (3).

26 (Q) ~~(p)~~ Beginning on December 8, 2006, a transfer of land, but  
27 not buildings or structures located on the land, which meets 1 or

1 more of the following requirements:

2 (i) The land is subject to a conservation easement under  
3 subpart 11 of part 21 of the natural resources and environmental  
4 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in  
5 this subparagraph, "conservation easement" means that term as  
6 defined in section 2140 of the natural resources and environmental  
7 protection act, 1994 PA 451, MCL 324.2140.

8 (ii) A transfer of ownership of the land or a transfer of an  
9 interest in the land is eligible for a deduction as a qualified  
10 conservation contribution under section 170(h) of the internal  
11 revenue code, 26 USC 170.

12 (R) ~~(q)~~—A transfer of real property or other ownership  
13 interests resulting from a consolidation or merger of a domestic  
14 nonprofit corporation that is a boy or girl scout or camp fire  
15 girls organization, a 4-H club or foundation, a young men's  
16 Christian association, or a young women's Christian association and  
17 at least 50% of the members of that organization or association are  
18 residents of this state.

19 (S) ~~(r)~~—A change to the assessment roll or tax roll resulting  
20 from the application of section 16a of 1897 PA 230, MCL 455.16a.

21 (T) ~~(s)~~—Beginning December 31, 2013 through December 30, 2014,  
22 a transfer of residential real property if the transferee is  
23 related to the transferor by blood or affinity to the first degree  
24 and the use of the residential real property does not change  
25 following the transfer.

26 (U) ~~(t)~~—Beginning December 31, 2014, a transfer of residential  
27 real property if the transferee is the transferor's or the

1 transferor's spouse's mother, father, brother, sister, son,  
2 daughter, adopted son, adopted daughter, grandson, or granddaughter  
3 and the residential real property is not used for any commercial  
4 purpose following the conveyance. Upon request by the department of  
5 treasury or the assessor, the transferee shall furnish proof within  
6 30 days that the transferee meets the requirements of this  
7 subdivision. If a transferee fails to comply with a request by the  
8 department of treasury or assessor under this subdivision, that  
9 transferee is subject to a fine of \$200.00.

10 (V) ~~(u)~~—Beginning December 31, 2014, for residential real  
11 property, a conveyance from a trust if the person to whom the  
12 residential real property is conveyed is the settlor's or the  
13 settlor's spouse's mother, father, brother, sister, son, daughter,  
14 adopted son, adopted daughter, grandson, or granddaughter and the  
15 residential real property is not used for any commercial purpose  
16 following the conveyance. Upon request by the department of  
17 treasury or the assessor, the sole present beneficiary or  
18 beneficiaries shall furnish proof within 30 days that the sole  
19 present beneficiary or beneficiaries meet the requirements of this  
20 subdivision. If a present beneficiary fails to comply with a  
21 request by the department of treasury or assessor under this  
22 subdivision, that present beneficiary is subject to a fine of  
23 \$200.00.

24 (W) ~~(v)~~—Beginning on the effective date of the amendatory act  
25 that added this subdivision, a conveyance of land by distribution  
26 under a will or trust or by intestate succession, but not buildings  
27 or structures located on the land, which meets 1 or more of the



1 following requirements:

2 (i) The land is made subject to a conservation easement under  
3 subpart 11 of part 21 of the natural resources and environmental  
4 protection act, 1994 PA 451, MCL 324.2140 to 324.2144, prior to the  
5 conveyance by distribution under a will or trust or by intestate  
6 succession. As used in this subparagraph, "conservation easement"  
7 means that term as defined in section 2140 of the natural resources  
8 and environmental protection act, 1994 PA 451, MCL 324.2140.

9 (ii) The land or an interest in the land is made eligible for  
10 a deduction as a qualified conservation contribution under section  
11 170(h) of the internal revenue code, 26 USC 170, prior to the  
12 conveyance by distribution under a will or trust or by intestate  
13 succession.

14 ~~(X) (w)~~—A conveyance of property under section 2120a(6) of the  
15 natural resources and environmental protection act, 1994 PA 451,  
16 MCL 324.2120a.

17 (8) If all of the following conditions are satisfied, the  
18 local tax collecting unit shall revise the taxable value of  
19 qualified agricultural property taxable on the tax roll in the  
20 possession of that local tax collecting unit to the taxable value  
21 that qualified agricultural property would have had if there had  
22 been no transfer of ownership of that qualified agricultural  
23 property since December 31, 1999 and there had been no adjustment  
24 of that qualified agricultural property's taxable value under  
25 subsection (3) since December 31, 1999:

26 (a) The qualified agricultural property was qualified  
27 agricultural property for taxes levied in 1999 and each year after

1 1999.

2 (b) The owner of the qualified agricultural property files an  
3 affidavit with the assessor of the local tax collecting unit under  
4 subsection ~~(7)(n)~~ (7) (O) .

5 (9) If the taxable value of qualified agricultural property is  
6 adjusted under subsection (8), the owner of that qualified  
7 agricultural property is not entitled to a refund for any property  
8 taxes collected under this act on that qualified agricultural  
9 property before the adjustment under subsection (8) .

10 (10) The register of deeds of the county where deeds or other  
11 title documents are recorded shall notify the assessing officer of  
12 the appropriate local taxing unit not less than once each month of  
13 any recorded transaction involving the ownership of property and  
14 shall make any recorded deeds or other title documents available to  
15 that county's tax or equalization department. Unless notification  
16 is provided under subsection (6), the buyer, grantee, or other  
17 transferee of the property shall notify the appropriate assessing  
18 office in the local unit of government in which the property is  
19 located of the transfer of ownership of the property within 45 days  
20 of the transfer of ownership, on a form prescribed by the state tax  
21 commission that states the parties to the transfer, the date of the  
22 transfer, the actual consideration for the transfer, and the  
23 property's parcel identification number or legal description. Forms  
24 filed in the assessing office of a local unit of government under  
25 this subsection shall be made available to the county tax or  
26 equalization department for the county in which that local unit of  
27 government is located. This subsection does not apply to personal

1 property except buildings described in section 14(6) and personal  
2 property described in section 8(h), (i), and (j).

3 (11) As used in this section:

4 (a) "Additions" means that term as defined in section 34d.

5 (b) "Beneficial use" means the right to possession, use, and  
6 enjoyment of property, limited only by encumbrances, easements, and  
7 restrictions of record.

8 (C) **"COMMERCIAL PURPOSE" MEANS USED IN CONNECTION WITH ANY**  
9 **BUSINESS OR OTHER UNDERTAKING INTENDED FOR PROFIT, BUT DOES NOT**  
10 **INCLUDE THE RENTAL OF RESIDENTIAL REAL PROPERTY FOR A PERIOD OF**  
11 **LESS THAN 15 DAYS IN A CALENDAR YEAR.**

12 (D) ~~(e)~~—"Inflation rate" means that term as defined in section  
13 34d.

14 (E) ~~(d)~~—"Losses" means that term as defined in section 34d.

15 (F) ~~(e)~~—"Qualified agricultural property" means that term as  
16 defined in section 7dd.

17 (G) ~~(f)~~—"Qualified forest property" means that term as defined  
18 in section 7jj[1].

19 (H) ~~(g)~~—"Residential real property" means real property  
20 classified as residential real property under section 34c.

21 Enacting section 1. Section 27a(7)(d) of the general property  
22 tax act, 1893 PA 206, MCL 211.27a, as added by this amendatory act,  
23 is retroactive and is effective for taxes levied after December 31,  
24 2014.