

**SUBSTITUTE FOR
HOUSE BILL NO. 4209**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 44 (MCL 211.44), as amended by 2012 PA 482.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44. (1) Upon receipt of the tax roll, the township
2 treasurer or other collector shall proceed to collect the taxes.
3 The township treasurer or other collector shall mail to each
4 taxpayer at the taxpayer's last known address on the tax roll or to
5 the taxpayer's designated agent a statement showing the description
6 of the property against which the tax is levied, the taxable value
7 of the property, the amount of the tax on the property, and, for
8 property returned to the county treasurer for delinquent taxes, in
9 the year in which the property is returned to the county treasurer



1 for delinquent taxes only, notice of the fact that as of March 1
2 there were delinquent taxes on the property, that those delinquent
3 taxes were returned to the county treasurer for collection, and
4 contact information for the county treasurer. However, if not later
5 than 2 weeks before the tax bill is finalized, a local tax
6 collecting unit receives from the county notice that previously
7 delinquent taxes on a parcel of property are no longer delinquent,
8 the statement for that property under this subsection is not
9 required to include notice of the fact that as of March 1 there
10 were delinquent taxes on the property, that those delinquent taxes
11 were returned to the county treasurer for collection, and contact
12 information for the county treasurer. If a tax statement is mailed
13 to the taxpayer, a tax statement sent to a taxpayer's designated
14 agent may be in a summary form or may be in an electronic data
15 processing format. If the tax statement information is provided to
16 both a taxpayer and the taxpayer's designated agent, the tax
17 statement mailed to the taxpayer may be identified as an
18 informational copy. A township treasurer or other collector
19 electing to send a tax statement to a taxpayer's designated agent
20 or electing not to include an itemization in the manner described
21 in subsection (10) (d) in a tax statement mailed to the taxpayer
22 shall, upon request, mail a detailed copy of the tax statement,
23 including an itemization of the amount of tax in the manner
24 described by subsection (10) (d), to the taxpayer without charge.

25 (2) The expense of preparing and mailing the statement shall
26 be paid from the county, township, city, or village funds. Failure
27 to send or receive the notice does not prejudice the right to
28 collect or enforce the payment of the tax. The township treasurer
29 **or his or her designee** shall remain in the office of the township



1 treasurer at some convenient place in the township from 9 a.m. to 5
2 p.m. to receive taxes on the following days:

3 (a) At least 1 business day between December 25 and December
4 31 unless the township has an arrangement with a local financial
5 institution to receive taxes on behalf of the township treasurer
6 and to forward that payment to the township on the next business
7 day. The township shall provide timely notification of which
8 financial institutions will receive taxes for the township and
9 which days the treasurer **or his or her designee** will be in the
10 office to receive taxes. **As used in this subsection, "designee"**
11 **means a deputy treasurer or other individual acting on behalf of**
12 **the township treasurer in compliance with section 43(2) who serves**
13 **the township as an employee or elected official and is approved by**
14 **the township board to serve as the designee.**

15 (b) The last day that taxes are due and payable before being
16 returned as delinquent under section 78a(2).

17 (c) For the collection of a summer tax levy, the last day
18 taxes are due and payable before interest is added under section
19 ~~44a(5)~~. **44a(6)** .

20 (3) Except as provided by subsection (7), on a sum voluntarily
21 paid before February 15 of the succeeding year, the local property
22 tax collecting unit shall add a property tax administration fee of
23 not more than 1% of the total tax bill per parcel. However, unless
24 otherwise provided for by an agreement between the assessing unit
25 and the collecting unit, if a local property tax collecting unit
26 other than a village does not also serve as the local assessing
27 unit, the excess of the amount of property tax administration fees
28 over the expense to the local property tax collecting unit in
29 collecting the taxes, but not less than 80% of the fee imposed,



1 shall be returned to the local assessing unit. A property tax
2 administration fee is defined as a fee to offset costs incurred by
3 a collecting unit in assessing property values, in collecting the
4 property tax levies, and in the review and appeal processes. The
5 costs of any appeals, in excess of funds available from the
6 property tax administration fee, may be shared by any taxing unit
7 only if approved by the governing body of the taxing unit. Except
8 as provided by subsection (7), on all taxes paid after February 14
9 and before taxes are returned as delinquent under section 78a(2)
10 the governing body of a city or township may authorize the
11 treasurer to add to the tax a property tax administration fee to
12 the extent imposed on taxes paid before February 15 and the day
13 that taxes are returned as delinquent under section 78a(2) a late
14 penalty charge equal to 3% of the tax. The governing body of a city
15 or township may waive interest from February 15 to the last day of
16 February on a summer property tax that has been deferred under
17 section 51 or any late penalty charge for the homestead property of
18 a senior citizen, paraplegic, quadriplegic, hemiplegic, eligible
19 serviceperson, eligible veteran, eligible widow or widower, totally
20 and permanently disabled person, or blind person, as those persons
21 are defined in chapter 9 of the income tax act of 1967, 1967 PA
22 281, MCL 206.501 to 206.532, if the person makes a claim before
23 February 15 for a credit for that property provided by chapter 9 of
24 the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if
25 the person presents a copy of the form filed for that credit to the
26 local treasurer, and if the person has not received the credit
27 before February 15. The governing body of a city or township may
28 waive interest from February 15 to the day taxes are returned as
29 delinquent under section 78a(2) on a summer property tax deferred



1 under section 51 or any late penalty charge for a person's property
2 that is subject to a farmland development rights agreement recorded
3 with the register of deeds of the county in which the property is
4 situated as provided in section 36104 of the natural resources and
5 environmental protection act, 1994 PA 451, MCL 324.36104, if the
6 person presents a copy of the development rights agreement or
7 verification that the property is subject to a development rights
8 agreement before February 15. A 4% county property tax
9 administration fee, a property tax administration fee to the extent
10 imposed on and if authorized under subsection (7) for taxes paid
11 before taxes are returned as delinquent under section 78a(2), and
12 interest on the tax at the rate of 1% per month shall be added to
13 taxes collected by the township or city treasurer after the last
14 day taxes are payable before being returned as delinquent under
15 section 78a(2) and before settlement with the county treasurer, and
16 the payment shall be treated as though collected by the county
17 treasurer. If the statements required to be mailed by this section
18 are not mailed before December 31, the treasurer shall not impose a
19 late penalty charge on taxes collected after February 14.

20 (4) The governing body of a local property tax collecting unit
21 may waive all or part of the property tax administration fee or the
22 late penalty charge, or both. A property tax administration fee
23 collected by the township treasurer shall be used only for the
24 purposes for which it may be collected as specified by subsection
25 (3) and this subsection. If the bond of the treasurer, as provided
26 in section 43, is furnished by a surety company, the cost of the
27 bond may be paid by the township from the property tax
28 administration fee.

29 (5) If apprehensive of the loss of personal tax assessed upon



1 the roll, the township treasurer may enforce collection of the tax
2 at any time, and if compelled to seize property or bring an action
3 in December may add, if authorized under subsection (7), a property
4 tax administration fee of not more than 1% of the total tax bill
5 per parcel and 3% for a late penalty charge.

6 (6) Along with taxes returned delinquent to a county
7 treasurer, the amount of the property tax administration fee
8 prescribed by subsection (3) that is imposed and not paid shall be
9 included in the return of delinquent taxes and, when delinquent
10 taxes are distributed by the county treasurer under this act, the
11 delinquent property tax administration fee shall be distributed to
12 the treasurer of the local unit who transmitted the statement of
13 taxes returned as delinquent. Interest imposed upon delinquent
14 property taxes under this act shall also be imposed upon the
15 property tax administration fee and, for purposes of this act other
16 than for the purpose of determining to which local unit the county
17 treasurer shall distribute a delinquent property tax administration
18 fee, any reference to delinquent taxes shall be considered to
19 include the property tax administration fee returned as delinquent
20 for the same property.

21 (7) The local property tax collecting treasurer shall not
22 impose a property tax administration fee, collection fee, or any
23 type of late penalty charge authorized by law or charter unless the
24 governing body of the local property tax collecting unit approves,
25 by resolution or ordinance adopted after December 31, 1982, an
26 authorization for the imposition of a property tax administration
27 fee, collection fee, or any type of late penalty charge provided
28 for by this section or by charter, which authorization ~~shall be is~~
29 valid for all levies that become a lien after the resolution or



1 ordinance is adopted. However, unless otherwise provided for by an
2 agreement between the assessing unit and the collecting unit, a
3 local property tax collecting unit that does not also serve as the
4 assessing unit shall impose a property tax administration fee on
5 each parcel at a rate equal to the rate of the fee imposed for city
6 or township taxes on that parcel.

7 (8) The annual statement required by 1966 PA 125, MCL 565.161
8 to 565.164, or a monthly billing form or mortgagor passbook
9 provided instead of that annual statement ~~shall~~**must** include a
10 statement to the effect that a taxpayer who was not mailed the tax
11 statement or a copy of the tax statement by the township treasurer
12 or other collector ~~shall~~**will** receive, upon request and without
13 charge, a copy of the tax statement from the township treasurer or
14 other collector or, if the tax statement has been mailed to the
15 taxpayer's designated agent, from either the taxpayer's designated
16 agent or the township treasurer or other collector. A designated
17 agent who is subject to 1966 PA 125, MCL 565.161 to 565.164, and
18 who has been mailed the tax statement for taxes that became a lien
19 in the calendar year immediately preceding the year in which the
20 annual statement may be required to be furnished shall mail, upon
21 request and without charge to a taxpayer who was not mailed that
22 tax statement or a copy of that tax statement, a copy of that tax
23 statement.

24 (9) For taxes levied after December 31, 2001, if taxes levied
25 on qualified real property remain unpaid on February 15, all of the
26 following ~~shall~~ apply:

27 (a) The unpaid taxes on that qualified real property shall be
28 collected in the same manner as unpaid taxes levied on personal
29 property are collected under this act.



1 (b) Unpaid taxes on qualified real property shall not be
2 returned as delinquent to the county treasurer for forfeiture,
3 foreclosure, and sale under sections 78 to 79a.

4 (c) If a county treasurer discovers that unpaid taxes on
5 qualified real property have been returned as delinquent for
6 forfeiture, foreclosure, and sale under sections 78 to 79a, the
7 county treasurer shall return those unpaid taxes to the appropriate
8 local tax collection unit for collection as provided in subdivision
9 (a).

10 (10) As used in this section:

11 (a) "Designated agent" means an individual, partnership,
12 association, corporation, receiver, estate, trust, or other legal
13 entity that has entered into an escrow account agreement or other
14 agreement with the taxpayer that obligates that individual or legal
15 entity to pay the property taxes for the taxpayer or, if an
16 agreement has not been entered into, that was designated by the
17 taxpayer on a form made available to the taxpayer by the township
18 treasurer and filed with that treasurer. The designation by the
19 taxpayer ~~shall remain~~ **remains** in effect until revoked by the
20 taxpayer in a writing filed with the township treasurer. The form
21 made available by the township treasurer ~~shall~~ **must** include a
22 statement that submission of the form allows the treasurer to mail
23 the tax statement to the designated agent instead of to the
24 taxpayer and a statement notifying the taxpayer of his or her right
25 to revoke the designation by a writing filed with the township
26 treasurer.

27 (b) "Qualified real property" means buildings and improvements
28 located upon leased real property that are assessed as real
29 property under section 2(1)(c), except buildings and improvements



1 exempt under section 9f, if the value of the buildings or
2 improvements is not otherwise included in the assessment of the
3 real property.

4 (c) "Taxpayer" means the owner of the property on which the
5 tax is imposed.

6 (d) When describing in subsection (1) that the amount of tax
7 on the property must be shown in the tax statement, "amount of tax"
8 means an itemization by dollar amount of each of the several ad
9 valorem property taxes and special assessments that a person may
10 pay under section 53 and an itemization by millage rate, on either
11 the tax statement or a separate form accompanying the tax
12 statement, of each of the several ad valorem property taxes that a
13 person may pay under section 53. The township treasurer or other
14 collector may replace the itemization described in this subdivision
15 with a statement informing the taxpayer that the itemization of the
16 dollar amount and millage rate of the taxes is available without
17 charge from the local property tax collecting unit.

