

HOUSE BILL NO. 5217

July 01, 2021, Introduced by Reps. Hope and Rabhi and referred to the Committee on Government Operations.

A bill to amend 1966 PA 134, entitled
"An act to impose a tax upon written instruments which transfer any
interest in real property; to provide for the administration of
this act; and to provide penalties for violations of this act,"
by amending section 5 (MCL 207.505).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. The following instruments and transfers shall be
2 exempt from this act:

3 (a) Instruments where the value of the consideration is less
4 than \$100.00.

(b) Instruments evidencing contracts or transfers ~~which—that~~ are not to be performed wholly within this state ~~insofar as such~~ **only to the extent that the** instruments include land lying outside of this state.

(c) Written instruments ~~which—that~~ this state is prohibited from taxing under the ~~constitution—United States Constitution~~ or **federal** statutes. ~~of the United States.~~

(d) Instruments or writings given as security or any assignment or discharge ~~thereof.~~ **of a security interest.**

(e) Instruments evidencing leases, including oil and gas leases, or transfers of ~~such—~~leasehold interests.

(f) Instruments evidencing any interests which are assessable as personal property.

(g) Instruments evidencing the transfer of rights and interests for underground gas storage purposes.

(h) ~~Instruments—(i)~~ **Any of the following instruments:**

(i) Instruments in which the grantor is the United States, ~~the~~ **this** state, any political subdivision or municipality ~~thereof,—of~~ **this state** or an officer ~~thereof—of the United States or of this~~ **state, or a political subdivision or municipality of this state,** acting in his **or her** official capacity. ~~;(ii)~~

(ii) Instruments given in foreclosure or in lieu of foreclosure of a loan made, guaranteed or insured by the United States, ~~the~~ **this** state, any political subdivision or municipality ~~thereof—of~~ **this state** or an officer ~~thereof—of the United States or of this~~ **state, or a political subdivision or municipality of this state,** acting in his **or her** official capacity. ~~;(iii)~~

(iii) Instruments given to the United States, ~~the—this~~ state, or 1 of their officers as grantee, pursuant to the terms or guarantee

1 or insurance of a loan guaranteed or insured by the grantee.

2 (i) Conveyances from a ~~husband or wife~~ **spouse to his or her**
 3 **spouse** or ~~husband and wife~~ **both spouses** creating or disjoining a
 4 tenancy by the entireties in the grantors or the grantor and his or
 5 her spouse.

6 (j) Judgments or orders of courts of record making or ordering
 7 transfers, except where a specific monetary consideration is
 8 specified or ordered by the court ~~therefor~~ **of record**.

9 (k) Instruments used to straighten boundary lines where no
 10 monetary consideration is given.

11 (l) Instruments to confirm titles already vested in grantees,
 12 ~~such as~~ **including** quitclaim deeds to correct flaws in titles.

13 (m) Land contracts whereby the legal title does not pass to
 14 the grantee until the total consideration specified in the contract
 15 has been paid.

16 (n) Instruments evidencing the transfer of mineral rights and
 17 interests.

18 (o) Instruments creating a joint tenancy between 2 or more
 19 persons where at least 1 of the persons already owned the property.

20 Enacting section 1. This amendatory act does not take effect
 21 unless Senate Joint Resolution ____ or House Joint Resolution ____
 22 (request no. 02344'21) of the 101st Legislature becomes a part of
 23 the state constitution of 1963 as provided in section 1 of article
 24 XII of the state constitution of 1963.