

HOUSE BILL NO. 4014

January 14, 2025, Introduced by Reps. Slagh, Kunse, DeBoer, Neyer, Roth, Greene, BeGole, St. Germaine, Markkanen, Pavlov, Kelly, McFall, Bollin, Woolford, Steckloff, Whitsett and McKinney and referred to Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 27a (MCL 211.27a), as amended by 2016 PA 375.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 27a. (1) Except as otherwise provided in this section,
2 property ~~shall~~**must** 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

1 each parcel of property is the lesser of the following:

2 (a) The property's taxable value in the immediately preceding
3 year minus any losses, multiplied by the lesser of 1.05 or the
4 inflation rate, plus all additions. For taxes levied in 1995, the
5 property's taxable value in the immediately preceding year is the
6 property's state equalized valuation in 1994.

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

8 (3) Upon a transfer of ownership of property after 1994, the
9 property's taxable value for the calendar year following the year
10 of the transfer is the property's state equalized valuation for the
11 calendar year following the transfer.

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

1 (5) Assessment of property, as required in this section and
 2 section 27, is inapplicable to the assessment of property subject
 3 to the levy of ad valorem taxes within voted tax limitation
 4 increases to pay principal and interest on limited tax bonds issued
 5 by any governmental unit, including a county, township, community
 6 college district, or school district, before January 1, 1964, if
 7 the assessment required to be made under this act would be less
 8 than the assessment as state equalized prevailing on the property
 9 at the time of the issuance of the bonds. This inapplicability
 10 continues until levy of taxes to pay principal and interest on the
 11 bonds is no longer required. The assessment of property required by
 12 this act applies for all other purposes.

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

19 (a) A conveyance by deed.

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

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

1 (i) If the settlor or the settlor's spouse, or both, conveys
2 the property to the trust and the sole present beneficiary or
3 beneficiaries are the settlor or the settlor's spouse, or both.

4 (ii) Beginning December 31, 2014, for residential real
5 property, if the settlor or the settlor's spouse, or both, conveys
6 the residential real property to the trust and the sole present
7 beneficiary or beneficiaries are the settlor's or the settlor's
8 spouse's mother, father, brother, sister, son, daughter, adopted
9 son, adopted daughter, grandson, or granddaughter and the
10 residential real property is not used for any commercial purpose
11 following the conveyance. Upon request by the department of
12 treasury or the assessor, the sole present beneficiary or
13 beneficiaries shall furnish proof within 30 days that the sole
14 present beneficiary or beneficiaries meet the requirements of this
15 subparagraph. If a present beneficiary fails to comply with a
16 request by the department of treasury or assessor under this
17 subparagraph, that present beneficiary is subject to a fine of
18 \$200.00.

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

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

23 (ii) Beginning December 31, 2014, a distribution of residential
24 real property if the distributee is the settlor's or the settlor's
25 spouse's mother, father, brother, sister, son, daughter, adopted
26 son, adopted daughter, grandson, or granddaughter and the
27 residential real property is not used for any commercial purpose
28 following the conveyance. Upon request by the department of
29 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
28 property, if the distributee is the decedent's or the decedent's
29 spouse's mother, father, brother, sister, son, daughter, adopted

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

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

26 (h) Except as otherwise provided in this subdivision, a
27 conveyance of an ownership interest in a corporation, partnership,
28 sole proprietorship, limited liability company, limited liability
29 partnership, or other legal entity if the ownership interest

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

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

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

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

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

24 (k) Notwithstanding the provisions of section 7ee(5), at the
25 request of a property owner, an assessor's establishment of a
26 separate tax parcel for a portion of a parcel that ceases to be
27 qualified agricultural property but is not subject to a land
28 division under the land division act, 1967 PA 288, MCL 560.101 to
29 560.293, or any local ordinance. For purposes of this subdivision,

1 a transfer of ownership occurs only as to that portion of the
2 parcel established as a separate tax parcel and only that portion
3 ~~shall~~**must** have its taxable value adjusted under subsection (3) and
4 ~~shall be~~**is** subject to the recapture tax provided for under the
5 agricultural property recapture act, 2000 PA 261, MCL 211.1001 to
6 211.1007. The adjustment under subsection (3) ~~shall~~**must** be made as
7 of the December 31 in the year that the portion of the parcel
8 established as a separate tax parcel ceases to be qualified
9 agricultural property. A portion of a parcel subject to this
10 subdivision is considered a separate tax parcel only for those
11 purposes described in this subdivision.

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

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

15 (b) A transfer from ~~a husband, a wife, or a married couple~~**1**
16 **or both spouses** creating or disjoining a tenancy by the entireties
17 in the grantors or the grantor and ~~his or her~~**the grantor's** spouse.

18 (c) Subject to subdivision (d), a transfer of that portion of
19 property subject to a life estate or life lease retained by the
20 transferor, until expiration or termination of the life estate or
21 life lease. That portion of property transferred that is not
22 subject to a life lease ~~shall~~**must** be adjusted under subsection
23 (3).

24 (d) Beginning December 31, 2014, a transfer of that portion of
25 residential real property that had been subject to a life estate or
26 life lease retained by the transferor resulting from expiration or
27 termination of that life estate or life lease, if the transferee is
28 the transferor's or transferor's spouse's mother, father, brother,
29 sister, son, daughter, adopted son, adopted daughter, grandson, or

1 granddaughter and the residential real property is not used for any
2 commercial purpose following the transfer. Upon request by the
3 department of treasury or the assessor, the transferee shall
4 furnish proof within 30 days that the transferee meets the
5 requirements of this subdivision. If a transferee fails to comply
6 with a request by the department of treasury or assessor under this
7 subdivision, that transferee is subject to a fine of \$200.00.

8 (e) A transfer through foreclosure or forfeiture of a recorded
9 instrument under chapter 31, 32, or 57 of the revised judicature
10 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701
11 to 600.5759, or through deed or conveyance in lieu of a foreclosure
12 or forfeiture, until the mortgagee or land contract vendor
13 subsequently transfers the property. If a mortgagee does not
14 transfer the property within 1 year of the expiration of any
15 applicable redemption period, the property ~~shall~~**must** be adjusted
16 under subsection (3).

17 (f) A transfer by redemption by the person to whom taxes are
18 assessed of property previously sold for delinquent taxes.

19 (g) A conveyance to a trust if the settlor or the settlor's
20 spouse, or both, conveys the property to the trust and any of the
21 following conditions are satisfied:

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

24 (ii) ~~Beginning December 31, 2014, for~~**For** residential real
25 property, if the sole present beneficiary of the trust is the
26 settlor's or the settlor's spouse's mother, father, brother,
27 sister, son, daughter, adopted son, adopted daughter, grandson, ~~or~~
28 granddaughter, **grandmother, or grandfather** and the residential real
29 property is not used for any commercial purpose following the

1 conveyance. Upon request by the department of treasury or the
2 assessor, the sole present beneficiary or beneficiaries shall
3 furnish proof within 30 days that the sole present beneficiary or
4 beneficiaries meet the requirements of this subparagraph. If a
5 present beneficiary fails to comply with a request by the
6 department of treasury or assessor under this subparagraph, that
7 present beneficiary is subject to a fine of \$200.00. **For purposes**
8 **of this subdivision, the designation of a settlor's or settlor's**
9 **spouse's brother, sister, son, daughter, adopted son, adopted**
10 **daughter, grandson, or granddaughter as a sole present beneficiary**
11 **includes a designation of that individual and the individual's**
12 **spouse that was made on or after December 31, 2021.**

13 (h) A transfer pursuant to a judgment or order of a court of
14 record making or ordering a transfer, unless a specific monetary
15 consideration is specified or ordered by the court for the
16 transfer.

17 (i) A transfer creating or terminating a joint tenancy between
18 2 or more persons if at least 1 of the persons was an original
19 owner of the property before the joint tenancy was initially
20 created and, if the property is held as a joint tenancy at the time
21 of conveyance, at least 1 of the persons was a joint tenant when
22 the joint tenancy was initially created and that person has
23 remained a joint tenant since the joint tenancy was initially
24 created. A joint owner at the time of the last transfer of
25 ownership of the property is an original owner of the property. For
26 purposes of this subdivision, a person is an original owner of
27 property owned by that person's spouse.

28 (j) A transfer for security or an assignment or discharge of a
29 security interest.

1 (k) A transfer of real property or other ownership interests
2 among members of an affiliated group. As used in this subsection,
3 "affiliated group" means 1 or more corporations connected by stock
4 ownership to a common parent corporation. Upon request by the state
5 tax commission, a corporation shall furnish proof within 45 days
6 that a transfer meets the requirements of this subdivision. A
7 corporation that fails to comply with a request by the state tax
8 commission under this subdivision is subject to a fine of \$200.00.

9 (l) Normal public trading of shares of stock or other ownership
10 interests that, over any period of time, cumulatively represent
11 more than 50% of the total ownership interest in a corporation or
12 other legal entity and are traded in multiple transactions
13 involving unrelated individuals, institutions, or other legal
14 entities.

15 (m) A transfer of real property or other ownership interests
16 among corporations, partnerships, limited liability companies,
17 limited liability partnerships, or other legal entities if the
18 entities involved are commonly controlled. Upon request by the
19 state tax commission, a corporation, partnership, limited liability
20 company, limited liability partnership, or other legal entity shall
21 furnish proof within 45 days that a transfer meets the requirements
22 of this subdivision. A corporation, partnership, limited liability
23 company, limited liability partnership, or other legal entity that
24 fails to comply with a request by the state tax commission under
25 this subdivision is subject to a fine of \$200.00.

26 (n) A direct or indirect transfer of real property or other
27 ownership interests resulting from a transaction that qualifies as
28 a tax-free reorganization under section 368 of the internal revenue
29 code, 26 USC 368. Upon request by the state tax commission, a

1 property owner shall furnish proof within 45 days that a transfer
2 meets the requirements of this subdivision. A property owner who
3 fails to comply with a request by the state tax commission under
4 this subdivision is subject to a fine of \$200.00.

5 (o) Except as provided in subsection (6)(k), a transfer of
6 qualified agricultural property, if the person to whom the
7 qualified agricultural property is transferred files an affidavit
8 with the assessor of the local tax collecting unit in which the
9 qualified agricultural property is located and with the register of
10 deeds for the county in which the qualified agricultural property
11 is located attesting that the qualified agricultural property will
12 remain qualified agricultural property. The affidavit under this
13 subdivision ~~shall~~**must** be in a form prescribed by the department of
14 treasury. An owner of qualified agricultural property shall inform
15 a prospective buyer of that qualified agricultural property that
16 the qualified agricultural property is subject to the recapture tax
17 provided in the agricultural property recapture act, 2000 PA 261,
18 MCL 211.1001 to 211.1007, if the qualified agricultural property is
19 converted by a change in use, as that term is defined in section 2
20 of the agricultural property recapture act, 2000 PA 261, MCL
21 211.1002. If property ceases to be qualified agricultural property
22 at any time after a transfer subject to this subdivision, all of
23 the following ~~shall occur~~**apply**:

24 (i) The taxable value of that property, or, if subsection
25 (6)(k) applies, a portion of it established as a separate tax
26 parcel, ~~shall~~**must** be adjusted under subsection (3) as of the
27 December 31 in the year that the property, or, if subsection (6)(k)
28 applies, a portion of it established as a separate tax parcel,
29 ceases to be qualified agricultural property.

1 (ii) The property, or, if subsection (6)(k) applies, a portion
 2 of it established as a separate tax parcel, is subject to the
 3 recapture tax provided for under the agricultural property
 4 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

5 (p) A transfer of qualified forest property, if the person to
 6 whom the qualified forest property is transferred files a qualified
 7 forest taxable value affidavit with the assessor of the local tax
 8 collecting unit in which the qualified forest property is located
 9 and with the register of deeds for the county in which the
 10 qualified forest property is located attesting that the qualified
 11 forest property will remain qualified forest property. The
 12 qualified forest taxable value affidavit under this subdivision
 13 ~~shall~~**must** be in a form prescribed by the department of agriculture
 14 and rural development. The qualified forest taxable value affidavit
 15 ~~shall~~**must** include a legal description of the qualified forest
 16 property, the name of the new property owner, the year the transfer
 17 of the property occurred, a statement indicating that the property
 18 owner is attesting that the property for which the exemption is
 19 claimed is qualified forest property and will be managed according
 20 to the approved forest management plan, and any other information
 21 pertinent to the parcel and the property owner. The property owner
 22 shall provide a copy of the qualified forest taxable value
 23 affidavit to the department. The department shall provide 1 copy of
 24 the qualified forest taxable value affidavit to the local tax
 25 collecting unit, 1 copy to the conservation district, and 1 copy to
 26 the department of treasury. These copies may be sent
 27 electronically. The exception to the recognition of a transfer of
 28 ownership, as ~~herein stated,~~**provided in this subdivision,** extends
 29 to the land only of the qualified forest property. If qualified

1 forest property is improved by buildings, structures, or land
2 improvements, then those improvements ~~shall~~**must** be recognized as a
3 transfer of ownership, in accordance with the provisions of section
4 7jj[1]. An owner of qualified forest property shall inform a
5 prospective buyer of that qualified forest property that the
6 qualified forest property is subject to the recapture tax provided
7 in the qualified forest property recapture tax act, 2006 PA 379,
8 MCL 211.1031 to 211.1036, if the qualified forest property is
9 converted by a change in use, as that term is defined in section 2
10 of the qualified forest property recapture tax act, 2006 PA 379,
11 MCL 211.1032. If property ceases to be qualified forest property at
12 any time after being transferred, all of the following ~~shall~~
13 ~~occur~~**apply**:

14 (i) The taxable value of that property ~~shall~~**must** be adjusted
15 under subsection (3) as of the December 31 in the year that the
16 property ceases to be qualified forest property, except to the
17 extent that the transfer of the qualified forest property would not
18 have been considered a transfer of ownership under this subsection.

19 (ii) Except as otherwise provided in subparagraph (iii), the
20 property is subject to the recapture tax provided for under the
21 qualified forest property recapture tax act, 2006 PA 379, MCL
22 211.1031 to 211.1036.

23 (iii) Beginning June 1, 2013 and ending November 30, 2013,
24 owners of property enrolled as qualified forest property before
25 January 1, 2013 may execute a new qualified forest taxable value
26 affidavit with the department of agriculture and rural development.
27 If a landowner elects to execute a qualified forest taxable value
28 affidavit, that owner is not required to pay the \$50.00 fee
29 required under section 7jj[1](2). If a landowner elects not to

1 execute a qualified forest taxable value affidavit, the existing
2 affidavit ~~shall~~**must** be rescinded, without subjecting the property
3 to the recapture tax provided for under the qualified forest
4 property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036,
5 and the taxable value of that property ~~shall~~**must** be adjusted under
6 subsection (3).

7 (q) Beginning on December 8, 2006, a transfer of land, but not
8 buildings or structures located on the land, which meets 1 or more
9 of the following requirements:

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

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

20 (r) A transfer of real property or other ownership interests
21 resulting from a consolidation or merger of a domestic nonprofit
22 corporation that is a ~~boy~~**Boy** or ~~girl scout~~**Girl Scout** or ~~camp fire~~
23 ~~girls~~**Camp Fire Girls** organization, a 4-H club or foundation, a
24 ~~young men's~~**Young Men's** Christian association, **Association**, or a
25 ~~young women's~~**Young Women's** Christian association **Association** and
26 at least 50% of the members of that organization or association are
27 residents of this state.

28 (s) A change to the assessment roll or tax roll resulting from
29 the application of section 16a of 1897 PA 230, MCL 455.16a.

1 (t) Beginning December 31, 2013 through December 30, 2014, a
 2 transfer of residential real property if the transferee is related
 3 to the transferor by blood or affinity to the first degree and the
 4 use of the residential real property does not change following the
 5 transfer.

6 (u) ~~Beginning December 31, 2014, a~~ **A** transfer of residential
 7 real property if the transferee is the transferor's or the
 8 transferor's spouse's mother, father, brother, sister, son,
 9 daughter, adopted son, adopted daughter, grandson, ~~or~~
 10 granddaughter, **grandmother, or grandfather** and the residential real
 11 property is not used for any commercial purpose following the
 12 conveyance. Upon request by the department of treasury or the
 13 assessor, the transferee shall furnish proof within 30 days that
 14 the transferee meets the requirements of this subdivision. If a
 15 transferee fails to comply with a request by the department of
 16 treasury or assessor under this subdivision, that transferee is
 17 subject to a fine of \$200.00. **For purposes of this subdivision, a**
 18 **transfer to the transferor's or the transferor's spouse's brother,**
 19 **sister, son, daughter, adopted son, adopted daughter, grandson, or**
 20 **granddaughter includes a transfer to that individual and the**
 21 **individual's spouse that occurred on or after December 31, 2021.**

22 (v) ~~Beginning December 31, 2014, for residential real~~
 23 ~~property, a~~ **A** conveyance from a trust if the person to whom the
 24 residential real property is conveyed is the settlor's or the
 25 settlor's spouse's mother, father, brother, sister, son, daughter,
 26 adopted son, adopted daughter, grandson, ~~or~~ granddaughter,
 27 **grandmother, or grandfather** and the residential real property is
 28 not used for any commercial purpose following the conveyance. Upon
 29 request by the department of treasury or the assessor, the sole

1 present beneficiary or beneficiaries shall furnish proof within 30
2 days that the sole present beneficiary or beneficiaries meet the
3 requirements of this subdivision. If a present beneficiary fails to
4 comply with a request by the department of treasury or assessor
5 under this subdivision, that present beneficiary is subject to a
6 fine of \$200.00. **For purposes of this subdivision, a conveyance to**
7 **the settlor's or the settlor's spouse's brother, sister, son,**
8 **daughter, adopted son, adopted daughter, grandson, or granddaughter**
9 **includes a conveyance to that individual and the individual's**
10 **spouse that occurred on or after December 31, 2021.**

11 (w) Beginning on March 31, 2015, a conveyance of land by
12 distribution under a will or trust or by intestate succession, but
13 not buildings or structures located on the land, which meets 1 or
14 more of the following requirements:

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

22 (ii) The land or an interest in the land is made eligible for a
23 deduction as a qualified conservation contribution under section
24 170(h) of the internal revenue code, 26 USC 170, prior to the
25 conveyance by distribution under a will or trust or by intestate
26 succession.

27 (x) A conveyance of property under section 2120a(6) of the
28 natural resources and environmental protection act, 1994 PA 451,
29 MCL 324.2120a.

1 (8) If all of the following conditions are satisfied, the
2 local tax collecting unit shall revise the taxable value of
3 qualified agricultural property taxable on the tax roll in the
4 possession of that local tax collecting unit to the taxable value
5 that qualified agricultural property would have had if there had
6 been no transfer of ownership of that qualified agricultural
7 property since December 31, 1999 and there had been no adjustment
8 of that qualified agricultural property's taxable value under
9 subsection (3) since December 31, 1999:

10 (a) The qualified agricultural property was qualified
11 agricultural property for taxes levied in 1999 and each year after
12 1999.

13 (b) The owner of the qualified agricultural property files an
14 affidavit with the assessor of the local tax collecting unit under
15 subsection (7) (o).

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

21 (10) The register of deeds of the county where deeds or other
22 title documents are recorded shall notify the assessing officer of
23 the appropriate local taxing unit not less than once each month of
24 any recorded transaction involving the ownership of property and
25 shall make any recorded deeds or other title documents available to
26 that county's tax or equalization department. Unless notification
27 is provided under subsection (6), the buyer, grantee, or other
28 transferee of the property shall notify the appropriate assessing
29 office in the local unit of government in which the property is

1 located of the transfer of ownership of the property within 45 days
 2 of the transfer of ownership, on a form prescribed by the state tax
 3 commission that states the parties to the transfer, the date of the
 4 transfer, the actual consideration for the transfer, and the
 5 property's parcel identification number or legal description. Forms
 6 filed in the assessing office of a local unit of government under
 7 this subsection ~~shall~~**must** be made available to the county tax or
 8 equalization department for the county in which that local unit of
 9 government is located. This subsection does not apply to personal
 10 property except buildings described in section 14(6) and personal
 11 property described in section 8(h), (i), and (j).

12 (11) As used in this section:

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

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

17 (c) "Commercial purpose" means used in connection with any
 18 business or other undertaking intended for profit, but does not
 19 include the rental of residential real property for a period of
 20 less than 15 days in a calendar year.

21 (d) "Inflation rate" means that term as defined in section
 22 34d.

23 (e) "Losses" means that term as defined in section 34d.

24 (f) "Qualified agricultural property" means that term as
 25 defined in section 7dd.

26 (g) "Qualified forest property" means that term as defined in
 27 section 7jj[1].

28 (h) "Residential real property" means real property classified
 29 as residential real property under section 34c.