

**REVISED JUDICATURE ACT OF 1961 (EXCERPT)**  
**Act 236 of 1961**  
Chapter 84  
SMALL CLAIMS DIVISION

**600.8401 Small claims division; creation; judge; jurisdiction.**

Sec. 8401.

A small claims division is created in each district as a division of the district court. A judge of the district court shall sit as judge of the small claims division. The jurisdiction of the small claims division shall be confined to cases for the recovery of money in which the amount claimed does not exceed the following:

- (a) Beginning September 1, 2012, \$5,000.00.
- (b) Beginning January 1, 2015, \$5,500.00.
- (c) Beginning January 1, 2018, \$6,000.00.
- (d) Beginning January 1, 2021, \$6,500.00
- (e) Beginning January 1, 2024, \$7,000.00.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1991, Act 192, Eff. July 1, 1992 ;-- Am. 1999, Act 27, Eff. Jan. 1, 2000 ;-- Am. 2012, Act 142, Eff. Sept. 1, 2012

**600.8401a Instruction sheets.**

Sec. 8401a.

(1) The state court administrator shall prepare instruction sheets clearly explaining in plain English how the small claims division functions and how to commence and defend an action in the small claims division. A copy of the instruction sheet must be given to the claimant upon filing a claim. Copies of the instruction sheets shall be made available at the office of each clerk and deputy clerk of the district court and a copy of the defendant's instruction sheet shall be sent by the clerk or deputy clerk to the defendant along with the copy of the affidavit served upon the defendant under section 8404.

(2) In addition to general instruction sheets, the state court administrator shall prepare instruction sheets under subsection (1) specifically for an action under section 73109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.73109.

**History:** Add. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1998, Act 547, Eff. Mar. 23, 1999

**600.8402 Commencement of action; filing, form, and contents of affidavit; notice; name of plaintiff; removal; waiver.**

Sec. 8402.

(1) An action shall be commenced in the small claims division by filing with the clerk or a deputy clerk of the district court an affidavit and 1 copy of the affidavit for each defendant to be served. The form and contents of the affidavit shall be as prescribed by statute and the state court administrator. On the same form as the affidavit there shall be printed a notice directing the defendant to appear and answer as prescribed in section 8404.

(2) The full and correct name of the plaintiff shall be given, and the affidavit shall state whether the plaintiff is a corporation, partnership, sole proprietorship, or individual. If the plaintiff was acting under an assumed name or business name at the time the claim arose, the assumed name or business name shall be given.

(3) The affidavit, in boldface type, shall inform both parties of the right to removal before trial from magistrate jurisdiction, if applicable, and removal before trial to the general civil division. The affidavit shall inform the parties of rights waived if they choose to remain in the small claims division.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1991, Act 192, Eff. July 1, 1992

#### **600.8403 Affidavit forms; availability; preparation.**

Sec. 8403.

Printed affidavit forms for the commencement of actions in the small claims division shall be available at the office of each clerk and deputy clerk of the district court who shall prepare such affidavit for a claimant upon request.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8404 Service of affidavit and notice on defendant; form and contents of notice; evening and Saturday court hours.**

Sec. 8404.

(1) Upon the filing of the affidavit, the clerk or deputy clerk shall cause a copy of the affidavit to be served upon each defendant with a notice directing the defendant to appear and answer before a judge of the small claims division. The notice shall be in a form prescribed by the state court administrator and shall inform the defendant of all of the following:

- (a) When and where to appear.
- (b) That the defendant and the plaintiff are to bring all books, papers, and witnesses needed to establish any claim or defense.
- (c) That failure to appear may result in a judgment against the defendant of up to the applicable jurisdictional amount as prescribed by section 8401, or the amount of the claim stated in the affidavit, whichever is less, together with costs of the action.
- (d) That if settlement of the dispute is made before or at the hearing, the defendant may be charged with costs incurred by the plaintiff in initiating the action.
- (e) That, even if the defendant does not have a legal defense, the defendant may appear to request installment payments pursuant to section 8410.

(2) The clerk shall inform the plaintiff and defendant that evening and Saturday court hours may be made available upon written request and need shown.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985

#### **600.8405 Service; manner; proof.**

Sec. 8405.

Except as otherwise provided in this section, service of the affidavit and notice to appear and answer shall be made upon the defendant by certified mail, return receipt requested and deliverable to the addressee only, by personal service, or upon a showing that service of process cannot reasonably be made as provided by this section, the court may, by order, permit service of process to be made in any other manner reasonably calculated to give the defendant actual notice of the proceedings and an opportunity to be heard. Where service by certified mail is made, it shall be made by the clerk and the receipt of mailing together with the return card signed by the defendant shall constitute proof of service.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1996, Act 579, Imd. Eff. Jan. 17, 1997

**600.8406 Appearances; copy of affidavit and notice of hearing; application for new notice; jurisdiction to render judgment; continuance.**

Sec. 8406.

(1) The date for the appearance of the defendant provided in the notice shall not be less than 15 days nor more than 45 days after the date of the notice. The person filing the claim shall receive from the clerk a copy of the affidavit and notice of hearing. The plaintiff shall appear on the date shown in the notice of hearing and have all books, papers, and witnesses necessary to prove the claim. If the notice is not served upon the defendant at least 7 days before the appearance date, the plaintiff may apply to the clerk or deputy clerk for a new notice setting a new date for the appearance of the defendant which shall be not less than 15 days nor more than 30 days after the date of the issuance of the new notice.

(2) If a defendant is not personally served or did not sign the certified mail return receipt at least 7 days before the appearance date, there shall not be jurisdiction to render judgment, unless the defendant appears on the appearance date and does not request a continuance. If the defendant was not served within the minimum time specified, the matter, upon request of either party, shall be continued for not less than 7 days.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979

**600.8407 Filing of claim in small claims division; restrictions.**

Sec. 8407.

(1) A claim shall not be filed or prosecuted in the small claims division by an assignee of a claim or by a third party beneficiary under a third party beneficiary contract.

(2) Within a district court district a person shall not file more than the following number of claims in the small claims division in 1 week:

(a) Except as provided in subdivision (b), a person shall not file more than 5 claims.

(b) A person shall not file more than 20 claims on behalf of a county, city, village, or township.

(3) A person shall not file a claim on behalf of a sole proprietorship or a partnership unless that person is the proprietor, a partner in the plaintiff partnership, or a full-time salaried employee of the plaintiff having knowledge of the facts surrounding the complaint. A person shall not file a claim on behalf of a corporation unless that person is a full-time, salaried employee having knowledge of the facts surrounding the complaint. A person shall not file a claim on behalf of a county, city, village, township, or local or intermediate school district unless that person is an elected or appointed officer or an employee of the county, city, village, township, or local or intermediate school district who has knowledge of the facts surrounding the complaint and who is authorized by the governing body of the county, city, village, township, or local or intermediate school district to file the claim.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 272, Imd. Eff. Dec. 19, 1984 ;-- Am. 1991, Act 192, Eff. July 1, 1992 ;-- Am. 2006, Act 486, Eff. Jan. 1, 2007

**600.8408 Parties; representation; request for trial before district court judge; removal; waiver.**

Sec. 8408.

(1) An attorney at law, except on the attorney's own behalf, a collection agency or agent or employee of a collection agency, or a person other than the plaintiff and defendant, except as is otherwise provided in this chapter, shall not take part in the filing, prosecution, or defense of litigation in the small claims division.

(2) A sole proprietorship, partnership, or corporation as plaintiff or defendant may be represented by an officer or employee who has direct and personal knowledge of facts in dispute. If the officer or employee who has direct

and personal knowledge of facts in dispute is no longer employed by the defendant or plaintiff or is medically unavailable, the representation may be made by that person's supervisor, or by the sole proprietor, a partner, or an officer or a member of the board of directors of a corporation.

(3) A county, city, village, township, or local or intermediate school district as plaintiff or defendant may be represented only by an elected or appointed officer or an employee who has direct and personal knowledge of the facts in dispute. If the officer or employee who has direct and personal knowledge of the facts in dispute is no longer an officer or employee of the plaintiff or defendant, the representation may be made by that officer's successor or that employee's supervisor, or by a member of the governing body of the county, city, village, township, or local or intermediate school district. In addition, a person may not represent a county, city, village, township, or local or intermediate school district in the small claims division unless authorized to appear in the case by the governing body of the county, city, village, township, or local or intermediate school district.

(4) Before commencement of a trial, the plaintiff or defendant may, upon demand, require that the trial be conducted before a district court judge and not a magistrate, or may remove the case from the small claims division to the general civil division of the district court. If the parties commence a trial of the case in the small claims division, both parties waive all rights mentioned in section 8412.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 272, Imd. Eff. Dec. 19, 1984 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1991, Act 192, Eff. July 1, 1992

#### **600.8409 Attachment or garnishment prohibited; execution; judgment, enforcement; instruction sheets.**

Sec. 8409.

(1) Attachment or garnishment shall not issue from the small claims division prior to judgment but execution may issue in the manner prescribed by law and the judgment may be enforced in any other manner provided by law and not prohibited under the provisions of this chapter.

(2) The state court administrator shall prepare instruction sheets clearly explaining in plain English how, and under what circumstances, a plaintiff in whose favor a judgment has been entered may request the court to issue execution, attachment, or garnishment to enforce payment of the judgment. A copy of the instruction sheet shall be offered to the plaintiff at the same time as a copy of the judgment is given to the plaintiff under section 8410. Additional copies of the instruction sheets, and forms for writs of garnishment, shall be made available at the office of each clerk and deputy clerk of the district court.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1991, Act 192, Eff. July 1, 1992

#### **600.8410 Settlement; payment of judgment; execution, attachment, or garnishment; warning; examination of assets; payment of judgment in full; copy of judgment.**

Sec. 8410.

(1) Before or at the hearing the parties may make a settlement upon those terms as they may agree. The settlement shall be in writing and signed by both parties. Upon filing of the settlement with the court, the judge shall review the settlement and may enter it as the judgment of the court or may require that a full hearing take place.

(2) The judge shall order that a judgment in the small claims division shall be satisfied by payment to the clerk or the plaintiff either in a lump sum or in installments in amounts and at times as the judge considers just and reasonable under the circumstances. The judge shall also provide for a stay of further proceedings to collect the judgment while the defendant is in compliance with the order of the court.

(3) For good cause shown, the judge may reinstate an installment payment judgment previously not performed or the judge may alter the amount of installment payments and the time of payment of the judgment and shall authorize execution, attachment, or garnishment to issue where it appears that the defendant has not paid according to the terms of the judgment.

(4) The judgment shall include a warning that the defendant's failure to pay the judgment pursuant to its terms or any installment payment ordered may result in execution against the defendant's property and that the defendant may be compelled to appear for an examination of the defendant's assets.

(5) If the defendant is not present when the judgment is entered, or is present but does not immediately pay the full amount of the judgment when the judgment is entered, the judge shall order that the defendant, within 30 days after the date of entry of the judgment, pay the judgment in full or disclose in writing to the plaintiff and the court his or her place of employment and the location of his or her accounts in state or federally chartered banks, savings and loan associations, and credit unions.

(6) A copy of the judgment shall be given in court, delivered, or mailed immediately to each plaintiff and defendant following entry of the judgment.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1991, Act 192, Eff. July 1, 1992

**600.8410a Writ of garnishment as to periodic payments issued by small claims division of district court; duration.**

Sec. 8410a.

A writ of garnishment issued by the small claims division of the district court remains in effect as to periodic payments as provided in section 4012.

**History:** Add. 1991, Act 67, Eff. Dec. 31, 1991 ;-- Am. 1994, Act 175, Imd. Eff. June 20, 1994

**600.8411 Removal; waiver; hearings; manner of conducting; no jury or verbatim record.**

Sec. 8411.

(1) Before the commencement of a trial in the small claims division, the district court judge or magistrate shall inform both parties, orally or in writing, of the right to removal before trial to the general civil division and of all rights waived if they choose to remain in the small claims division.

(2) In hearings before the small claims division, witnesses shall be sworn. The judge shall conduct the trial in an informal manner so as to do substantial justice between the parties according to the rules of substantive law but shall not be bound by the statutory provisions or rules of practice, procedure, pleading, or evidence, except provisions relating to privileged communications, the sole object of such trials is to dispense expeditious justice between the parties. There shall be no jury nor shall a verbatim record of such proceedings be made.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1991, Act 192, Eff. July 1, 1992

**600.8412 Waiver of rights.**

Sec. 8412.

Unless a party removes a small claims action to the district court pursuant to section 8408(4), all parties to an action in the small claims division shall be considered to have waived the right to counsel, the right to trial by jury, the right to recover more than the applicable jurisdictional amount as prescribed by section 8401, and any right of appeal, except that if the action is heard before a district court magistrate pursuant to section 8427, the parties have a right to an appeal to the small claims division of the district court as provided by section 8427. The affidavit prescribed in section 8402 shall contain a statement that the plaintiff understands that he or she has waived these rights.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985

#### **600.8413 Judgments; conclusiveness; form.**

Sec. 8413.

All judgments of the small claims division shall be conclusive upon the plaintiff and the defendant and shall be in a form prescribed by the supreme court.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8415 Venue of actions.**

Sec. 8415.

(1) Except as provided in subsections (3) and (4), in districts of the first class actions in the small claims division shall be filed in the county in which the cause of action arose or in the county in which the defendant is established or resides or is employed. If there is more than 1 defendant, actions shall be filed in the county in which any defendant is established or resides or is employed.

(2) Except as provided in subsections (3) and (4), in districts of the second or third class actions in the small claims division shall be filed in the district in which the cause of action arose or in the district in which the defendant is established or resides or is employed. If there is more than 1 defendant, actions shall be filed in the district in which any defendant is established or resides or is employed.

(3) In districts of the first class actions in the small claims division against a city, village, or township shall be filed in the county in which the city, village, or township is located. In districts of the first class actions in the small claims division against a county shall be filed in that county. In districts of the second or third class actions in the small claims division against a city, village, or township shall be filed in the district in which the city, village, or township is located. In districts of the second or third class actions in the small claims division against a county shall be filed in the district in which the county seat of the county is located.

(4) In districts of the first class, actions in the small claims division against a local or intermediate school district shall be filed in the county in which the local or intermediate school district has its principal administrative office. In districts of the second or third class, actions in the small claims division against a local or intermediate school district shall be filed in the district in which the local or intermediate school district has its principal administrative office.

(5) If the venue of an action is proper under this section at the time the action is filed in the small claims division and a party removes the action to the general civil division of the district court as provided by law or court rule, the court shall not order a change of venue of the action because the venue in which the action was filed would not have been proper if the action would have been filed in the general civil division of the district court. The court may order a change of venue of the action as otherwise required or permitted by court rule.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1984, Act 272, Imd. Eff. Dec. 19, 1984 ;-- Am. 1991, Act 192, Eff. July 1, 1992 ;-- Am. 1993, Act 99, Eff. Sept. 1, 1993

#### **600.8416 Location of small claims division; filing of claims after regular court hours; scheduling of small claims hearings; hearings after regular court hours.**

Sec. 8416.

(1) The small claims division of the district court shall sit at least once each 30 days at the locations at which the district court is required to sit pursuant to section 8251.

(2) A clerk or deputy clerk of the district may be available for filing of claims with the small claims division after regular court hours at the discretion of the presiding judge.

(3) Scheduling of small claims hearings shall be done to lessen as much as possible the time that it is necessary

for a plaintiff or defendant to be absent from employment. A judge of the district court may be available to hear small claims after regular court hours if the presiding judge determines that evening hours will facilitate the adjudication of small claims cases.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979

#### **600.8418 Judgments; certification.**

Sec. 8418.

If the defendant fails to pay the judgment according to the terms and conditions thereof, the clerk or deputy clerk of the court, on application of the plaintiff, shall certify such judgment on a form prescribed by the supreme court.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8419 Forms and stationery.**

Sec. 8419.

Every clerk and deputy clerk of the district court shall be furnished a reasonable supply of all forms and stationery necessary for the expeditious and efficient operation of the small claims division by the governing legislative body of each district control unit.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8420 Fees; disposition.**

Sec. 8420.

(1) A fee of the following amount, as applicable, shall be charged and collected for the filing of the affidavit for the commencement of any action:

- (a) \$25.00, if the amount in controversy does not exceed \$600.00.
- (b) \$45.00, if the amount in controversy exceeds \$600.00 but does not exceed \$1,750.00.
- (c) \$65.00, if the amount in controversy exceeds \$1,750.00.

(2) A fee in an amount equal to the prevailing postal rate for the service provided shall be charged and collected for each defendant to whom a copy of the affidavit is mailed by the clerk. A fee of \$15.00 shall be charged and collected for the issuance of a writ of execution, attachment, or garnishment and for the issuance of a judgment debtor discovery subpoena. Except as otherwise provided in this chapter, a fee or charge shall not be collected by an officer for any service rendered under this chapter or for the taking of affidavits for use in connection with any action commenced under this chapter.

(3) Of each filing fee under subsection (1)(a) collected within the month, at the end of each month, the clerk shall transmit \$11.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$11.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created in section 171.

(4) Of each filing fee under subsection (1)(b) collected within the month, at the end of each month, the clerk shall



transmit \$17.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$17.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created in section 171.

(5) Of each filing fee under subsection (1)(c) collected within the month, at the end of each month, the clerk shall transmit \$23.00 to the treasurer of the district funding unit in which the action was commenced, of which not less than \$5.00 shall be used by the district funding unit to fund a drug treatment court if one is planned, established, or operated in that judicial district. If the entire amount attributable to the \$5.00 portion is not needed for the operation of a drug treatment court, the balance that is not needed for that purpose shall be used for the operation of the district court. If a drug treatment court is not planned, established, or operated in that judicial district, all \$23.00 shall be used for the operation of the district court. The clerk of the district court shall transmit the balance of the filing fee to the state treasurer for deposit in the civil filing fee fund created in section 171.

(6) If the affidavit and notice to appear and answer are served by personal service, the person serving the process is entitled to the same fee and mileage as for the service of a summons and complaint out of the district court.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1970, Act 238, Eff. Jan. 1, 1971 ;-- Am. 1980, Act 67, Imd. Eff. Apr. 3, 1980 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1988, Act 310, Eff. Jan. 1, 1989 ;-- Am. 1992, Act 233, Eff. Mar. 31, 1993 ;-- Am. 1992, Act 292, Imd. Eff. Dec. 18, 1992 ;-- Am. 1993, Act 189, Eff. Oct. 8, 1993 ;-- Am. 2003, Act 138, Eff. Oct. 1, 2003 ;-- Am. 2005, Act 151, Imd. Eff. Sept. 30, 2005

#### **600.8421 Costs to prevailing party.**

Sec. 8421.

The prevailing party in any action in the small claims division is entitled to costs of the action and also the costs of execution upon a judgment rendered therein. The costs shall include cost of service of the notice for the appearance of the defendant.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8422 Counterclaim; continuance.**

Sec. 8422.

If the defendant files a verified answer stating any new matter which constitutes a counterclaim, the court may grant a continuance upon request of either party.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8423 Separate action by defendant; transmittal fee; transfer of cause.**

Sec. 8423.

(1) If a defendant in a small claims action has a claim against the plaintiff, which claim is for an amount over the jurisdiction of the small claims division but of a nature which would be subject to counterclaim in accordance with rules of the supreme court, he may commence an action against the plaintiff in a court of competent jurisdiction and



file with the clerk or deputy clerk of the small claims division wherein the plaintiff has commenced his action, at or before the time set for the trial of the small claims action, an affidavit in a form prescribed by the supreme court setting forth the fact of the commencement of such action by the defendant. He shall attach to the affidavit a true copy of the complaint filed by him against plaintiff, and pay to the clerk or deputy clerk the sum of \$1.00 for a transmittal fee, and shall mail to the plaintiff a copy of the affidavit and complaint at or before the time above stated. Thereupon the judge of the small claims division shall order that the small claims action shall be transferred to the court set forth in the affidavit and he shall transmit all files and papers in the action to the other court and the actions shall then be tried together in the other court.

(2) The plaintiff in the small claims action shall not be required to pay to the clerk of the court to which the action is transferred any transmittal, appearance or filing fee in the action.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968

#### **600.8424 Actions for fraud, libel, slander, assault, battery, or other intentional torts; governmental agency as party.**

Sec. 8424.

(1) Actions of fraud and actions of libel, slander, assault, battery, or other intentional torts shall not be instituted in the small claims division. This subsection does not apply to either of the following:

(a) An action for fraud under section 2952 or under the Michigan consumer protection act, 1976 PA 331, MCL 445.901 to 445.922.

(b) An action under section 73109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.73109.

(2) Except as provided in subsection (3), the state, a political subdivision of the state, or any other governmental agency shall not be a party to an action in the small claims division.

(3) A county, city, village, township, or local or intermediate school district may file an action in the small claims division. An action may be filed in the small claims division against a county, city, village, township, or local or intermediate school district, but a party may not assert a claim with respect to which the county, city, village, township, or local or intermediate school district has immunity.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 272, Imd. Eff. Dec. 19, 1984 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985 ;-- Am. 1991, Act 192, Eff. July 1, 1992 ;-- Am. 1998, Act 547, Eff. Mar. 23, 1999

#### **600.8425 Limitation on claim or recovery; amendment increasing amount claimed.**

Sec. 8425.

(1) A person having a claim in excess of the applicable jurisdictional amount as prescribed by section 8401 may institute an action in the small claims division but may not claim or recover more than the jurisdictional amount.

(2) If an action properly commenced in the small claims division is removed to the district court or to any other court pursuant to section 8408 or 8423, either party may amend his or her own pleadings to increase the amount claimed upon payment of any difference in the applicable filing fee.

**History:** Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1978, Act 496, Eff. Jan. 1, 1979 ;-- Am. 1984, Act 278, Eff. Jan. 1, 1985

#### **600.8426 Name in which defendant sued; validity of judgment.**

Sec. 8426.

An individual, sole proprietorship, partnership, or corporation may be sued in the small claims division in any name used in any advertisement, sign, invoice, sales slip, register tape, business card, contract, or other communication or document, published, displayed or issued to the public in the course of its business. Any judgment in such a name shall be valid if the business is accurately identified by a location or mailing address where or through which the business is carried on.

**History:** Add. 1978, Act 496, Eff. Jan. 1, 1979

**600.8427 Conduct of small claims hearing by district court judge or magistrate; appeal.**

Sec. 8427.

A small claims hearing may be conducted either by a district court judge or by a district court magistrate who is an attorney licensed to practice in this state and who is authorized to do so by the chief judge of the district court district as provided in section 8514. If the hearing is conducted by a district court magistrate, an appeal de novo as of right may be taken by either party to the small claims division of the district court. Appeal shall be taken within 7 days after the entry of the decision of the magistrate. Further appeal from the judgment of the district court judge shall not be available to either party.

**History:** Add. 1984, Act 278, Eff. Jan. 1, 1985