

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

388.1724 Reducing valuation of district when taxes paid under certain conditions; credits as lien against district; payment to school aid fund; implementation of subsection (2).

Sec. 124.

(1) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are paid under protest and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

(2) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are not paid by a single bankrupt debtor that files for reorganization under chapter 11 of title 11 of the United States Code, 11 U.S.C. 1101 to 1174, and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected. This subsection shall be implemented upon verification by the department that the district has taken proper action to attempt to secure payment of taxes by the bankrupt debtor.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1987, Act 17, Imd. Eff. Apr. 24, 1987 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997