

**SUBSTITUTE FOR
HOUSE BILL NO. 4409**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 78g (MCL 211.78g), as amended by 2003 PA 263.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 78g. (1) Except as otherwise provided in this subsection,
2 on March 1 in each tax year, certified abandoned property and
3 property that is delinquent for taxes, interest, penalties, and
4 fees for the immediately preceding 12 months or more is forfeited
5 to the county treasurer for the total amount of those unpaid
6 delinquent taxes, interest, penalties, and fees. If property is
7 forfeited to a county treasurer under this subsection, the
8 foreclosing governmental unit does not have a right to possession
9 of the property until the April 1 immediately succeeding the entry
10 of a judgment foreclosing the property under section 78k or in a
11 contested case until 22 days after the entry of a judgment

1 foreclosing the property under section 78k. If property is
2 forfeited to a county treasurer under this subsection, the county
3 treasurer shall add a \$175.00 fee to each parcel of property for
4 which those delinquent taxes, interest, penalties, and fees remain
5 unpaid. A county treasurer shall withhold a parcel of property from
6 forfeiture for any reason determined by the state tax commission.
7 The procedure for withholding a parcel of property from forfeiture
8 under this subsection shall be determined by the state tax
9 commission.

10 (2) Not more than 45 days after property is forfeited under
11 subsection (1), the county treasurer shall record with the county
12 register of deeds a certificate in a form determined by the
13 department of treasury for each parcel of property forfeited to the
14 county treasurer, specifying that the property has been forfeited
15 to the county treasurer and not redeemed and that absolute title to
16 the property shall vest in the county treasurer on the March 31
17 immediately succeeding the entry of a judgment foreclosing the
18 property under section 78k or in a contested case 21 days after the
19 entry of a judgment foreclosing the property under section 78k. If
20 a certificate of forfeiture is recorded in error, the county
21 treasurer shall record with the county register of deeds a
22 certificate of error in a form prescribed by the department of
23 treasury. A certificate submitted to the county register of deeds
24 for recording under this subsection need not be notarized and may
25 be authenticated by a digital signature of the county treasurer or
26 by other electronic means. If the county has elected under section
27 78 to have this state foreclose property under this act forfeited

1 to the county treasurer under this section, the county treasurer
2 shall immediately transmit to the department of treasury a copy of
3 each certificate recorded under this subsection. The county
4 treasurer shall upon collection transmit to the department of
5 treasury within 30 days the fee added to each parcel under
6 subsection (1), which may be paid from the county's delinquent tax
7 revolving fund and shall be deposited in the land reutilization
8 fund created under section 78n.

9 (3) Property forfeited to the county treasurer under
10 subsection (1) may be redeemed at any time on or before the March
11 31 immediately succeeding the entry of a judgment foreclosing the
12 property under section 78k or in a contested case within 21 days of
13 the entry of a judgment foreclosing the property under section 78k
14 upon payment to the county treasurer of all of the following:

15 (a) The total amount of unpaid delinquent taxes, interest,
16 penalties, and fees for which the property was forfeited.

17 (b) In addition to the interest calculated under sections
18 60a(1) or (2) and 78a(3), additional interest computed at a
19 noncompounded rate of 1/2% per month or fraction of a month on the
20 taxes that were originally returned as delinquent, computed from
21 the March 1 preceding the forfeiture. **THE COUNTY TREASURER MAY**
22 **WAIVE THE ADDITIONAL INTEREST UNDER THIS SUBDIVISION IF THE**
23 **PROPERTY IS CLASSIFIED AS RESIDENTIAL REAL PROPERTY UNDER SECTION**
24 **34C AND IS WITHHELD FROM THE PETITION FOR FORECLOSURE UNDER SECTION**
25 **78H.**

26 (c) All recording fees and all fees for service of process or
27 notice.

1 (4) If property is redeemed by a person with a legal interest
2 as provided under subsection (3), any unpaid taxes not returned as
3 delinquent to the county treasurer under section 78a are not
4 extinguished.

5 (5) If property is redeemed by a person with a legal interest
6 as provided under subsection (3), the person redeeming does not
7 acquire a title or interest in the property greater than that
8 person would have had if the property had not been forfeited to the
9 county treasurer, but the person redeeming, other than the owner,
10 is entitled to a lien for the amount paid to redeem the property in
11 addition to any other lien or interest the person may have, which
12 shall be recorded within 30 days with the register of deeds by the
13 person entitled to the lien. The lien acquired shall have the same
14 priority as the existing lien, title, or interest.

15 (6) If property is redeemed as provided under subsection (3),
16 the county treasurer shall issue a redemption certificate in
17 quadruplicate in a form prescribed by the department of treasury.
18 One of the quadruplicate certificates shall be delivered to the
19 person making the redemption payment, 1 shall be filed in the
20 office of the county treasurer, 1 shall be recorded in the office
21 of the county register of deeds, and 1 shall be immediately
22 transmitted to the department of treasury if this state is the
23 foreclosing governmental unit. The county treasurer shall also make
24 a note of the redemption certificate in the tax record kept in his
25 or her office, with the name of the person making the final
26 redemption payment, the date of the payment, and the amount paid.
27 If the county treasurer accepts partial redemption payments, the

1 county treasurer shall include in the tax record kept in his or her
2 office the name of the person or persons making each partial
3 redemption payment, the date of each partial redemption payment,
4 the amount of each partial redemption payment, and the total amount
5 of all redemption payments. A certificate and the entry of the
6 certificate in the tax record by the county treasurer is prima
7 facie evidence of a redemption payment in the courts of this state.
8 A certificate submitted to the county register of deeds for
9 recording under this subsection need not be notarized and may be
10 authenticated by a digital signature of the county treasurer or by
11 other electronic means. If a redemption certificate is recorded in
12 error, the county treasurer shall record with the county register
13 of deeds a certificate of error in a form prescribed by the
14 department of treasury. A copy of a certificate of error recorded
15 under this section shall be immediately transmitted to the
16 department of treasury if this state is the foreclosing
17 governmental unit.

18 (7) If a foreclosing governmental unit has reason to believe
19 that a property forfeited under this section may be the site of
20 environmental contamination, the foreclosing governmental unit
21 shall provide the department of environmental quality with any
22 information in the possession of the foreclosing governmental unit
23 that suggests the property may be the site of environmental
24 contamination.