

**SUBSTITUTE FOR
HOUSE BILL NO. 4677**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 27a (MCL 211.27a), as amended by 2015 PA 19.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 27a. (1) Except as otherwise provided in this section,
2 property shall 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
6 each parcel of property is the lesser of the following:

7 (a) The property's taxable value in the immediately preceding
8 year minus any losses, multiplied by the lesser of 1.05 or the
9 inflation rate, plus all additions. For taxes levied in 1995, the

1 property's taxable value in the immediately preceding year is the
2 property's state equalized valuation in 1994.

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

4 (3) Upon a transfer of ownership of property after 1994, the
5 property's taxable value for the calendar year following the year
6 of the transfer is the property's state equalized valuation for the
7 calendar year following the transfer.

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

26 (5) Assessment of property, as required in this section and
27 section 27, is inapplicable to the assessment of property subject

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

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

17 (a) A conveyance by deed.

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

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

27 (i) If the settlor or the settlor's spouse, or both, conveys

1 the property to the trust and the sole present beneficiary or
2 beneficiaries are the settlor or the settlor's spouse, or both.

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

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

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

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

1 treasury or the assessor, the sole present beneficiary or
2 beneficiaries shall furnish proof within 30 days that the sole
3 present beneficiary or beneficiaries meet the requirements of this
4 subparagraph. If a present beneficiary fails to comply with a
5 request by the department of treasury or assessor under this
6 subparagraph, that present beneficiary is subject to a fine of
7 \$200.00.

8 (e) A change in the sole present beneficiary or beneficiaries
9 of a trust, except under any of the following conditions:

10 (i) A change that adds or substitutes the spouse of the sole
11 present beneficiary.

12 (ii) Beginning December 31, 2014, for residential real
13 property, a change that adds or substitutes the settlor's or the
14 settlor's spouse's mother, father, brother, sister, son, daughter,
15 adopted son, adopted daughter, grandson, or granddaughter and the
16 residential real property is not used for any commercial purpose
17 following the conveyance. Upon request by the department of
18 treasury or the assessor, the sole present beneficiary or
19 beneficiaries shall furnish proof within 30 days that the sole
20 present beneficiary or beneficiaries meet the requirements of this
21 subparagraph. If a present beneficiary fails to comply with a
22 request by the department of treasury or assessor under this
23 subparagraph, that present beneficiary is subject to a fine of
24 \$200.00.

25 (f) A conveyance by distribution under a will or by intestate
26 succession, except under any of the following conditions:

27 (i) If the distributee is the decedent's spouse.

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

14 (g) A conveyance by lease if the total duration of the lease,
15 including the initial term and all options for renewal, is more
16 than 35 years or the lease grants the lessee a bargain purchase
17 option. As used in this subdivision, "bargain purchase option"
18 means the right to purchase the property at the termination of the
19 lease for not more than 80% of the property's projected true cash
20 value at the termination of the lease. After December 31, 1994, the
21 taxable value of property conveyed by a lease with a total duration
22 of more than 35 years or with a bargain purchase option shall be
23 adjusted under subsection (3) for the calendar year following the
24 year in which the lease is entered into. This subdivision does not
25 apply to personal property except buildings described in section
26 14(6) and personal property described in section 8(h), (i), and
27 (j). This subdivision does not apply to that portion of the

1 property not subject to the leasehold interest conveyed.

2 (h) Except as otherwise provided in this subdivision, a
3 conveyance of an ownership interest in a corporation, partnership,
4 sole proprietorship, limited liability company, limited liability
5 partnership, or other legal entity if the ownership interest
6 conveyed is more than 50% of the corporation, partnership, sole
7 proprietorship, limited liability company, limited liability
8 partnership, or other legal entity. Unless notification is provided
9 under subsection (10), the corporation, partnership, sole
10 proprietorship, limited liability company, limited liability
11 partnership, or other legal entity shall notify the assessing
12 officer on a form provided by the state tax commission not more
13 than 45 days after a conveyance of an ownership interest that
14 constitutes a transfer of ownership under this subdivision. Both of
15 the following apply to a corporation subject to 1897 PA 230, MCL
16 455.1 to 455.24:

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

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

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

26 (j) A conveyance of an ownership interest in a cooperative
27 housing corporation, except that portion of the property not

1 subject to the ownership interest conveyed.

2 (K) NOTWITHSTANDING THE PROVISIONS OF SECTION 7EE(5), AT THE
3 REQUEST OF A PROPERTY OWNER, AN ASSESSOR'S ESTABLISHMENT OF A
4 SEPARATE TAX PARCEL FOR A PORTION OF A PARCEL THAT CEASES TO BE
5 QUALIFIED AGRICULTURAL PROPERTY BUT IS NOT SUBJECT TO A LAND
6 DIVISION UNDER THE LAND DIVISION ACT, 1967 PA 288, MCL 560.101 TO
7 560.293, OR ANY LOCAL ORDINANCE. FOR PURPOSES OF THIS SUBDIVISION,
8 A TRANSFER OF OWNERSHIP OCCURS ONLY AS TO THAT PORTION OF THE
9 PARCEL ESTABLISHED AS A SEPARATE TAX PARCEL AND ONLY THAT PORTION
10 SHALL HAVE ITS TAXABLE VALUE ADJUSTED UNDER SUBSECTION (3) AND
11 SHALL BE SUBJECT TO THE RECAPTURE TAX PROVIDED FOR UNDER THE
12 AGRICULTURAL PROPERTY RECAPTURE ACT, 2000 PA 261, MCL 211.1001 TO
13 211.1007. THE ADJUSTMENT UNDER SUBSECTION (3) SHALL BE MADE AS OF
14 THE DECEMBER 31 IN THE YEAR THAT THE PORTION OF THE PARCEL
15 ESTABLISHED AS A SEPARATE TAX PARCEL CEASES TO BE QUALIFIED
16 AGRICULTURAL PROPERTY. A PORTION OF A PARCEL SUBJECT TO THIS
17 SUBDIVISION IS CONSIDERED A SEPARATE TAX PARCEL ONLY FOR THOSE
18 PURPOSES DESCRIBED IN THIS SUBDIVISION.

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

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

22 (b) A transfer from a husband, a wife, or a husband and wife
23 creating or disjoining a tenancy by the entirety in the grantors
24 or the grantor and his or her spouse.

25 (c) A transfer of that portion of property subject to a life
26 estate or life lease retained by the transferor, until expiration
27 or termination of the life estate or life lease. That portion of

1 property transferred that is not subject to a life lease shall be
2 adjusted under subsection (3).

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

12 (e) A transfer by redemption by the person to whom taxes are
13 assessed of property previously sold for delinquent taxes.

14 (f) A conveyance to a trust if the settlor or the settlor's
15 spouse, or both, conveys the property to the trust and any of the
16 following conditions are satisfied:

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

19 (ii) Beginning December 31, 2014, for residential real
20 property, if the sole present beneficiary of the trust is the
21 settlor's or the settlor's spouse's mother, father, brother,
22 sister, son, daughter, adopted son, adopted daughter, grandson, or
23 granddaughter and the residential real property is not used for any
24 commercial purpose following the conveyance. Upon request by the
25 department of treasury or the assessor, the sole present
26 beneficiary or beneficiaries shall furnish proof within 30 days
27 that the sole present beneficiary or beneficiaries meet the

1 requirements of this subparagraph. If a present beneficiary fails
2 to comply with a request by the department of treasury or assessor
3 under this subparagraph, that present beneficiary is subject to a
4 fine of \$200.00.

5 (g) A transfer pursuant to a judgment or order of a court of
6 record making or ordering a transfer, unless a specific monetary
7 consideration is specified or ordered by the court for the
8 transfer.

9 (h) A transfer creating or terminating a joint tenancy between
10 2 or more persons if at least 1 of the persons was an original
11 owner of the property before the joint tenancy was initially
12 created and, if the property is held as a joint tenancy at the time
13 of conveyance, at least 1 of the persons was a joint tenant when
14 the joint tenancy was initially created and that person has
15 remained a joint tenant since the joint tenancy was initially
16 created. A joint owner at the time of the last transfer of
17 ownership of the property is an original owner of the property. For
18 purposes of this subdivision, a person is an original owner of
19 property owned by that person's spouse.

20 (i) A transfer for security or an assignment or discharge of a
21 security interest.

22 (j) A transfer of real property or other ownership interests
23 among members of an affiliated group. As used in this subsection,
24 "affiliated group" means 1 or more corporations connected by stock
25 ownership to a common parent corporation. Upon request by the state
26 tax commission, a corporation shall furnish proof within 45 days
27 that a transfer meets the requirements of this subdivision. A

1 corporation that fails to comply with a request by the state tax
2 commission under this subdivision is subject to a fine of \$200.00.

3 (k) Normal public trading of shares of stock or other
4 ownership interests that, over any period of time, cumulatively
5 represent more than 50% of the total ownership interest in a
6 corporation or other legal entity and are traded in multiple
7 transactions involving unrelated individuals, institutions, or
8 other legal entities.

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

20 (m) A direct or indirect transfer of real property or other
21 ownership interests resulting from a transaction that qualifies as
22 a tax-free reorganization under section 368 of the internal revenue
23 code, 26 USC 368. Upon request by the state tax commission, a
24 property owner shall furnish proof within 45 days that a transfer
25 meets the requirements of this subdivision. A property owner who
26 fails to comply with a request by the state tax commission under
27 this subdivision is subject to a fine of \$200.00.

(n) ~~A-EXCEPT AS PROVIDED IN SUBSECTION (6)(K), A~~ transfer of qualified agricultural property, if the person to whom the qualified agricultural property is transferred files an affidavit with the assessor of the local tax collecting unit in which the qualified agricultural property is located and with the register of deeds for the county in which the qualified agricultural property is located attesting that the qualified agricultural property will remain qualified agricultural property. The affidavit under this subdivision shall be in a form prescribed by the department of treasury. An owner of qualified agricultural property shall inform a prospective buyer of that qualified agricultural property that the qualified agricultural property is subject to the recapture tax provided in the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the qualified agricultural property is converted by a change in use, as that term is defined in section 2 of the agricultural property recapture act, 2000 PA 261, MCL 211.1002. If property ceases to be qualified agricultural property at any time after ~~being transferred,~~ **A TRANSFER SUBJECT TO THIS SUBDIVISION**, all of the following shall occur:

(i) The taxable value of that property, **OR, IF SUBSECTION (6)(K) APPLIES, A PORTION OF IT ESTABLISHED AS A SEPARATE TAX PARCEL**, shall be adjusted under subsection (3) as of the December 31 in the year that the property, **OR, IF SUBSECTION (6)(K) APPLIES, A PORTION OF IT ESTABLISHED AS A SEPARATE TAX PARCEL**, ceases to be qualified agricultural property.

(ii) The property, **OR, IF SUBSECTION (6)(K) APPLIES, A PORTION OF IT ESTABLISHED AS A SEPARATE TAX PARCEL**, is subject to the

1 recapture tax provided for under the agricultural property
2 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

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

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

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

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

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

1 required under section 7jj[1](2). If a landowner elects not to
2 execute a qualified forest taxable value affidavit, the existing
3 affidavit shall be rescinded, without subjecting the property to
4 the recapture tax provided for under the qualified forest property
5 recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036, and the
6 taxable value of that property shall be adjusted under subsection
7 (3).

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

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

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

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

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

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

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

19 (u) Beginning December 31, 2014, for residential real
20 property, a conveyance from a trust if the person to whom the
21 residential real property is conveyed is the settlor's or the
22 settlor's spouse's mother, father, brother, sister, son, daughter,
23 adopted son, adopted daughter, grandson, or granddaughter and the
24 residential real property is not used for any commercial purpose
25 following the conveyance. Upon request by the department of
26 treasury or the assessor, the sole present beneficiary or
27 beneficiaries shall furnish proof within 30 days that the sole

1 present beneficiary or beneficiaries meet the requirements of this
2 subdivision. If a present beneficiary fails to comply with a
3 request by the department of treasury or assessor under this
4 subdivision, that present beneficiary is subject to a fine of
5 \$200.00.

6 (v) Beginning on the effective date of the amendatory act that
7 added this subdivision, a conveyance of land by distribution under
8 a will or trust or by intestate succession, but not buildings or
9 structures located on the land, which meets 1 or more of the
10 following requirements:

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

18 (ii) The land or an interest in the land is made eligible for
19 a deduction as a qualified conservation contribution under section
20 170(h) of the internal revenue code, 26 USC 170, prior to the
21 conveyance by distribution under a will or trust or by intestate
22 succession.

23 (w) A conveyance of property under section 2120a(6) of the
24 natural resources and environmental protection act, 1994 PA 451,
25 MCL 324.2120a.

26 (8) If all of the following conditions are satisfied, the
27 local tax collecting unit shall revise the taxable value of

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

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

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

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

19 (10) The register of deeds of the county where deeds or other
20 title documents are recorded shall notify the assessing officer of
21 the appropriate local taxing unit not less than once each month of
22 any recorded transaction involving the ownership of property and
23 shall make any recorded deeds or other title documents available to
24 that county's tax or equalization department. Unless notification
25 is provided under subsection (6), the buyer, grantee, or other
26 transferee of the property shall notify the appropriate assessing
27 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 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) "Inflation rate" means that term as defined in section
18 34d.

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

20 (e) "Qualified agricultural property" means that term as
21 defined in section 7dd.

22 (f) "Qualified forest property" means that term as defined in
23 section 7jj[1].

24 (g) "Residential real property" means real property classified
25 as residential real property under section 34c.