

HOUSE BILL No. 5792

April 30, 1992, Introduced by Reps. Hertel, Murphy, DeMars, Leland, O'Neill, DeLange, Niederstadt, Emerson, Jondahl and Brown and referred to the Committee on Taxation,

A bill to amend sections 57, 60, 61, 73c, 74, 108, 131, 131c, and 131e of Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

section 60 as amended by Act No. 503 of the Public Acts of 1982, sections 61 and 74 as amended by Act No. 539 of the Public Acts of 1982, and sections 131, 131c, and 131e as amended by Act No. 406 of the Public Acts of 1984, being sections 211.57, 211.60, 211.61, 211.73c, 211.74, 211.108, 211.131, 211.131c, and 211.131e of the Michigan Compiled Laws; and to add section 55a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 57, 60, 61, 73c, 74, 108, 131, 131c,
2 and 131e of Act No. 206 of the Public Acts of 1893, section 60 as
3 amended by Act No. 503 of the Public Acts of 1982, sections 61
4 and 74 as amended by Act No. 539 of the Public Acts of 1982, and

1 sections 131, 131c, and 131e as amended by Act No. 406 of the
2 Public Acts of 1984, being sections 211.57, 211.60, 211.61,
3 211.73c, 211.74, 211.108, 211.131, 211.131c, and 211.131e of the
4 Michigan Compiled Laws, are amended and section 55a is added to
5 read as follows:

6 SEC. 55A. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), FOR
7 TAXES RETURNED AS DELINQUENT AFTER FEBRUARY 28, 1993, A SEPARATE
8 TAX ROLL DESIGNATED AS THE "ABANDONED RESIDENTIAL PROPERTY TAX
9 ROLL" SHALL BE DELIVERED BY THE TREASURER OF THE LOCAL TAX COL-
10 LECTING UNIT TO THE COUNTY TREASURER THAT IDENTIFIES PARCELS THAT
11 ARE ABANDONED RESIDENTIAL PROPERTY FOR WHICH THE TAXES ARE UNPAID
12 AS OF MARCH 1.

13 (2) IF THE COUNTY TREASURER COLLECTS THE COUNTY TAX IN THE
14 LOCAL TAX COLLECTING UNIT, THE ABANDONED RESIDENTIAL PROPERTY TAX
15 ROLL MAY BE PREPARED BY MAY 1.

16 (3) IF THE TREASURER OF THE LOCAL TAX COLLECTING UNIT DOES
17 NOT RETURN TAXES DELINQUENT UNDER SECTION 55, HE OR SHE MAY CER-
18 TIFY A LIST OF PARCELS OF ABANDONED RESIDENTIAL PROPERTY TO THE
19 COUNTY TREASURER NOT LATER THAN MARCH 15, OR IF THE LIST CONTAINS
20 500 PARCELS OR LESS, APRIL 1 OF EACH YEAR. THE LIST SHALL IDEN-
21 TIFY THE PARCELS BY PARCEL IDENTIFICATION NUMBERS COMPATIBLE WITH
22 THE PARCEL IDENTIFICATION NUMBERS USED BY THE COUNTY TREASURER.
23 THE COUNTY TREASURER SHALL IDENTIFY THOSE PARCELS OF ABANDONED
24 RESIDENTIAL PROPERTY ON WHICH THOSE PROPERTY TAXES COLLECTED BY
25 THE COUNTY TREASURER ARE DELINQUENT AND PREPARE THE ABANDONED
26 RESIDENTIAL PROPERTY TAX ROLL.

1 (4) THE ABANDONED RESIDENTIAL PROPERTY TAX ROLL CONTAINING
2 PARCELS IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER THIS
3 SECTION SHALL CONTAIN AN AFFIDAVIT OF THE OFFICIAL OF THE LOCAL
4 TAX COLLECTING UNIT RESPONSIBLE FOR IDENTIFYING THOSE PARCELS
5 INDICATING THAT THOSE PARCELS MEET THE CRITERIA OF ABANDONED RES-
6 IDENTIAL PROPERTY.

7 (5) THIS SECTION DOES NOT APPLY UNLESS THE ABANDONED RESI-
8 DENTIAL PROPERTY IS LOCATED IN A LOCAL TAX COLLECTING UNIT IN
9 WHICH THE LOCAL GOVERNING BODY, NOT LATER THAN DECEMBER 31 OF THE
10 YEAR IMMEDIATELY PRECEDING THE YEAR TO WHICH A RESOLUTION INI-
11 TIALY APPLIES, ADOPTS A RESOLUTION OF GENERAL APPLICATION
12 DECLARING THAT NONPAYMENT OF PROPERTY TAXES IS CONTRIBUTING TO
13 NEIGHBORHOOD DETERIORATION AND BLIGHT.

14 (6) THIS SECTION DOES NOT APPLY UNLESS EACH TAXING UNIT
15 LEVYING A TAX WITHIN THE LOCAL TAX COLLECTING UNIT AND FOR WHOM
16 THE COUNTY TREASURER COLLECTS DELINQUENT REAL PROPERTY TAXES
17 ADOPTS A RESOLUTION OF GENERAL APPLICATION WAIVING THE RIGHT TO
18 RECEIVE REAL PROPERTY TAXES ON ABANDONED RESIDENTIAL PROPERTY
19 FROM THE PROCEEDS OF DELINQUENT TAX REVOLVING FUND NOTES OR FROM
20 THE PROCEEDS OF ANY SALE UNDER SECTION 131.

21 (7) A RESOLUTION ADOPTED UNDER SUBSECTION (5) OR (6) SHALL
22 CONTINUE UNTIL REVOKED BUT SHALL NOT BE SUBJECT TO REVOCATION
23 UNTIL ABANDONED RESIDENTIAL PROPERTY TAX ROLLS HAVE BEEN PREPARED
24 FOR 3 YEARS AFTER ADOPTION OF THE RESOLUTION. A REVOCATION SHALL
25 BE MADE NOT LATER THAN THE DECEMBER 31 PRECEDING THE YEAR TO
26 WHICH THE REVOCATION APPLIES.

1 (8) THIS SECTION APPLIES ONLY TO A COUNTY THAT CONTAINS A
2 CITY WITH A POPULATION OF MORE THAN 25,000 OR A CITY IN WHICH
3 THERE IS AN ENTERPRISE ZONE ESTABLISHED UNDER THE ENTERPRISE ZONE
4 ACT, ACT NO. 224 OF THE PUBLIC ACTS OF 1985, BEING
5 SECTIONS 125.2101 TO 125.2122 OF THE MICHIGAN COMPILED LAWS.

6 (9) FOR PURPOSES OF THIS SECTION, PROPERTY IS PRESUMED TO BE
7 ABANDONED RESIDENTIAL PROPERTY IF EITHER OF THE FOLLOWING
8 APPLIES:

9 (A) THE LOCAL TAX COLLECTING UNIT OR A DESIGNATED PARTY
10 RECORDS WITH THE TREASURER OF THE LOCAL TAX COLLECTING UNIT AN
11 AFFIDAVIT STATING THE PROPERTY HAS BEEN DETERMINED TO BE ABAN-
12 DONED RESIDENTIAL PROPERTY AS PROVIDED FOR IN SUBSECTION (13).

13 (B) THE LOCAL TAX COLLECTING UNIT OR A DESIGNATED PARTY
14 RECORDS WITH THE TREASURER OF THE LOCAL TAX COLLECTING UNIT AN
15 AFFIDAVIT STATING THE PROPERTY HAS BEEN DETERMINED ABANDONED
16 UNDER AN ORDINANCE PASSED BY THE GOVERNING BODY OF THE LOCAL TAX
17 COLLECTING UNIT THAT HAS PROCEDURAL REQUIREMENTS SUBSTANTIALLY
18 THE SAME AS THOSE PROVIDED IN SUBSECTION (13)(B). HOWEVER, IF
19 THE PROPERTY IS DETERMINED ABANDONED UNDER A NUISANCE ABATEMENT
20 ORDINANCE, THE LOCAL TAX COLLECTING UNIT SHALL FOLLOW THE PROCE-
21 DURE PROVIDED FOR IN SUBSECTION (13)(B)(ii) AND (iii).

22 (10) A DESIGNATED PARTY OTHER THAN A COUNTY IS SUBJECT TO
23 THE DIRECTION OF THE LOCAL TAX COLLECTING UNIT. THE LOCAL TAX
24 COLLECTING UNIT SHALL REVIEW A DESIGNATED PARTY ANNUALLY TO
25 VERIFY COMPLIANCE WITH THE REQUIREMENTS OF SUBSECTION (13)(C). A
26 DESIGNATED PARTY'S STATUS MAY BE TERMINATED FOR GOOD CAUSE SHOWN

1 OR FAILURE TO COMPLY WITH THE REQUIREMENTS OF SUBSECTION
2 (13)(C).

3 (11) DELINQUENT TAXES ON PROPERTY LISTED ON THE ABANDONED
4 RESIDENTIAL PROPERTY TAX ROLL ARE NOT CONSIDERED DELINQUENT REAL
5 PROPERTY TAXES FOR PURPOSES OF SECTION 87B AND SHALL BE PROCESSED
6 BY THE COUNTY TREASURER UNDER SECTION 87 EXCEPT THAT THE COUNTY
7 TREASURER SHALL PAY THESE AMOUNTS TO ALL LOCAL UNITS ON THE SAME
8 DATE AS THE COUNTY DISTRIBUTES MONEY FROM THE DELINQUENT TAX
9 REVOLVING FUND INSTEAD OF DELIVERING PAYMENTS TO THE LOCAL UNITS
10 EACH MONTH.

11 (12) IN A LOCAL TAX COLLECTING UNIT IN WHICH PROPERTY HAS
12 BEEN DETERMINED ABANDONED UNDER A NUISANCE ABATEMENT ORDINANCE,
13 THE LOCAL TAX COLLECTING UNIT MAY AUTHORIZE A LEASE OF PROPERTY
14 INCLUDED ON THE ABANDONED RESIDENTIAL PROPERTY TAX ROLL WITH A
15 PERSON DESCRIBED IN SUBSECTION (13)(C)(i). THE LEASE SHALL NOT
16 EXTEND BEYOND 10 YEARS AND ANY LESSEE HAS THE RIGHT TO QUIET
17 ENJOYMENT OF THE PROPERTY FOR THE TERM OF THE LEASE AGAINST ANY
18 PERSON CLAIMING TITLE BASED UPON A DEED OR OTHER CONVEYANCE DATED
19 OR RECORDED BEFORE THE DATE THE ABANDONED RESIDENTIAL PROPERTY
20 TAX ROLL WAS DELIVERED TO THE COUNTY TREASURER.

21 (13) AS USED IN THIS ACT:

22 (A) "ABANDONED" MEANS WITH RESPECT TO A SPECIFIC PARCEL OF
23 PROPERTY THAT BOTH OF THE FOLLOWING ARE TRUE:

24 (i) THE PROPERTY IS VACANT OR DILAPIDATED AND OPEN TO
25 ENTRANCE OR TRESPASS.

1 (ii) THE OWNER, A PERSON CLAIMING UNDER THE OWNER, OR A
2 PERSON WITH A LEGAL INTEREST IN THE PROPERTY DOES NOT AND WILL
3 NOT OCCUPY THE PROPERTY.

4 (B) "ABANDONED RESIDENTIAL PROPERTY" MEANS A PARCEL OF PROP-
5 ERTY CONTAINING A STRUCTURE INTENDED FOR RESIDENTIAL PURPOSES
6 THAT IS CLASSIFIED AS RESIDENTIAL OR COMMERCIAL UNDER SECTION
7 34C, BUT EXCLUDING PROPERTY USED FOR AGRICULTURAL PURPOSES, AND
8 THAT HAS BEEN DETERMINED TO BE ABANDONED UNDER THE FOLLOWING
9 PROCEDURES:

10 (i) A REPRESENTATIVE OF THE LOCAL TAX COLLECTING UNIT OR A
11 DESIGNATED PARTY MADE A PERSONAL INSPECTION OF THE PROPERTY THAT
12 DETERMINED THE PROPERTY IS ABANDONED.

13 (ii) A NOTICE WAS POSTED ON THE PROPERTY AT THE TIME OF THE
14 PERSONAL INSPECTION BY THE LOCAL TAX COLLECTING UNIT OR A DESIG-
15 NATED PARTY AND A NOTICE WAS SENT BY CERTIFIED MAIL TO EACH OWNER
16 AND PERSON WITH A LEGAL INTEREST IN THE PROPERTY ACCORDING TO THE
17 RECORDS OF THE TREASURER OF THE LOCAL TAX COLLECTING UNIT. THE
18 NOTICE INCLUDED ALL OF THE FOLLOWING INFORMATION:

19 (A) THE LEGAL DESCRIPTION AND STREET ADDRESS OF THE
20 PROPERTY.

21 (B) A STATEMENT THAT THE PROPERTY IS ABANDONED.

22 (C) A STATEMENT THAT, DUE TO ABANDONMENT, THE PROPERTY IS
23 SUBJECT TO ACCELERATED SALE FOR ENFORCEMENT AND COLLECTION OF
24 DELINQUENT PROPERTY TAXES IN THE SECOND MAY FOLLOWING THE MARCH
25 IN WHICH THE TAXES BECAME DELINQUENT.

26 (D) A STATEMENT THAT THE PROPERTY WILL BE PRESUMED ABANDONED
27 UNLESS THE OWNER OR A PERSON CLAIMING A LAWFUL INTEREST RESPONDS

1 WITHIN 15 DAYS OF RECEIPT OF THE NOTICE WITH AN AFFIDAVIT FILED
2 WITH OR SENT BY FIRST-CLASS MAIL TO THE TREASURER OF THE LOCAL
3 TAX COLLECTING UNIT STATING THAT THE OWNER OR PERSON WITH A
4 LAWFUL INTEREST IN THE PROPERTY IS OCCUPYING OR INTENDS TO OCCUPY
5 THE PROPERTY.

6 (iii) THE OWNER OR A PERSON CLAIMING A LAWFUL INTEREST IN
7 THE PROPERTY HAS NOT CLAIMED THE PROPERTY IS NOT ABANDONED BY
8 FILING THE AFFIDAVIT REQUIRED BY SUBPARAGRAPH (ii)(D).

9 (C) "DESIGNATED PARTY" MEANS ANY OF THE FOLLOWING:

10 (i) A PERSON THAT HAS BEEN GIVEN RESPONSIBILITY AND CONTROL
11 WITH RESPECT TO A PARCEL OF ABANDONED RESIDENTIAL PROPERTY UNDER
12 A NUISANCE ABATEMENT ORDINANCE.

13 (ii) A PERSON THAT MEETS THE FOLLOWING REQUIREMENTS, AS CER-
14 TIFIED BY A PROCEDURE ADOPTED BY THE GOVERNING BODY OF THE LOCAL
15 TAX COLLECTING UNIT TO DETERMINE A DESIGNATED PARTY:

16 (A) QUALIFIES FOR EXEMPTION FROM FEDERAL INCOME TAX UNDER
17 SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE.

18 (B) HAS A DEMONSTRABLE CAPABILITY FOR HOME REHABILITATION OR
19 COMMUNITY ECONOMIC DEVELOPMENT.

20 (C) HAS A COMMUNITY BASED BOARD WITH 51% OR MORE OF BOARD
21 MEMBERS BEING RESIDENTS OF THE LOCAL TAX COLLECTING UNIT IN WHICH
22 THE PROPERTY IS LOCATED.

23 (D) HAS OPEN MEETINGS, MAINTAINS RECORDS OF MEETINGS, AND
24 PREPARES FINANCIAL REPORTS.

25 (iii) THE COUNTY IN WHICH THE PARCEL OF ABANDONED RESIDEN-
26 TIAL PROPERTY IS LOCATED.

1 (D) "DESIGNATED RECIPIENT" MEANS A DESIGNATED PARTY TO WHOM
2 A LOCAL TAX COLLECTING UNIT, WITH RESPECT TO A SPECIFIC PARCEL,
3 HAS ASSIGNED ITS RIGHT TO RECEIVE ABANDONED RESIDENTIAL PROPERTY
4 FROM THE DIRECTOR OF THE DEPARTMENT OF NATURAL RESOURCES UNDER
5 SECTION 131(2).

6 (14) AS USED IN THIS SECTION AND SECTION 131, "LOCAL TAX
7 COLLECTING UNIT" MEANS A CITY OR TOWNSHIP IN WHICH A PARCEL OF
8 ABANDONED RESIDENTIAL PROPERTY IS LOCATED.

9 Sec. 57. -(1) When a county treasurer receives from a town-
10 ship, city, or village treasurer a statement of unpaid taxes,
11 together with a list of the lands on which the same are delin-
12 quent, verified according to law, the county treasurer shall
13 enter the same at length on the books in his OR HER office pro-
14 vided for that purpose. ~~and he~~ THE TREASURER shall make a
15 statement of all descriptions of land returned as delinquent for
16 unpaid taxes, except ~~such as may have been~~ THOSE rejected by
17 him OR HER, with the several taxes assessed upon ~~such~~ THOSE
18 descriptions respectively. ~~which~~ THE statement shall be com-
19 pared by the county clerk with the statement of unpaid taxes
20 filed by the township, city, or village treasurer, and if the
21 county clerk finds it to be a true statement thereof, he OR SHE
22 shall add to it a certificate that ~~he~~ THE COUNTY CLERK has,
23 upon careful examination, found it correct. The statement, so
24 made, compared, and certified, shall be considered the return of
25 delinquent taxes by the county treasurer to the department of
26 ~~the state~~ treasury under this act, and shall be completed not
27 later than May 1 next after the return to the county treasurer of

1 the statements of the several township treasurers. The state
2 treasurer, ~~when in his judgment it may be deemed~~ IF CONSIDERED
3 expedient, may extend for a period not to exceed 30 days the time
4 within which the statement shall be completed. The state trea-
5 surer shall promulgate rules and regulations governing and shall
6 supervise the preparation of the statement. The statement shall
7 be kept on file in the office of the several county treasurers as
8 custodians for the state treasurer and shall not be forwarded to
9 the state treasurer. The county treasurers shall perform ~~such~~
10 THE duties with respect to the maintenance and correction of the
11 statement as ~~shall be~~ prescribed by the state treasurer. The
12 keeping of the statement ~~shall take~~ TAKES the place of the
13 records of delinquent taxes in the department of the state trea-
14 sury before sale of lands delinquent for taxes, as PROVIDED in
15 this act. ~~provided.~~

16 (2) Within 120 days after the county treasurer ~~shall~~
17 ~~receive~~ RECEIVES from the township treasurer a statement of
18 unpaid taxes, together with a list of the lands on which the same
19 are delinquent, verified according to law, the county treasurer
20 shall mail to the persons assessed for those unpaid taxes as well
21 as the legal owner of the property, ~~in cases where~~ IF they are
22 not the same party, a notice that the ~~same~~ TAXES have been
23 returned to the county treasurer as unpaid. The notice shall
24 state the amount of taxes unpaid, and penalties, interest, and
25 charges ~~thereon~~ ON THE TAXES, and shall state that a descrip-
26 tion of the property assessed is on file in the office of the
27 county treasurer.

1 (3) Within 120 days after March 1 of the year following the
2 return of the delinquent taxes to the county treasurer, the
3 county treasurer shall again mail the notice on all parcels for
4 which the tax is still unpaid. THIS SUBSECTION DOES NOT APPLY TO
5 PARCELS IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER SEC-
6 TION 55A.

7 (4) Any person who wishes at any time to receive notice of
8 the return of taxes on a parcel of property may pay an annual fee
9 not to exceed \$5.00 by February 1 to the county treasurer
10 together with a parcel identification number and address of the
11 property. ~~and the~~ THE county treasurer will thereafter notify
12 the person if the property is returned delinquent within that
13 year.

14 (5) The notices required by this section shall be sent by
15 first class mail, address correction requested.

16 Sec. 60. Those lands ~~which~~ THAT are returned as delin-
17 quent for taxes, and upon which taxes remain unpaid ~~and~~ after
18 their return under this act ~~and~~ or to the county treasurers of
19 the state, ~~shall be~~ ARE subject to disposition, sale, and
20 redemption for the enforcement and collection of the tax liens,
21 in the method and manner as provided in this act. On the first
22 Tuesday in May in each year, a tax sale shall be held in the
23 counties of this state by the county treasurers of those counties
24 for and in behalf of the state. At the tax sale, lands, OTHER
25 THAN ABANDONED RESIDENTIAL PROPERTY, delinquent for taxes
26 assessed in the third year preceding the sale or in a prior year
27 OR LAND IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER

1 SECTION 55A DELINQUENT FOR TAXES ASSESSED IN THE SECOND YEAR
2 PRECEDING THE SALE shall be sold for the total of the unpaid
3 taxes of those years. Delinquent tax sales shall include \$10.00
4 for expenses, as provided in section 59, a county property tax
5 administration fee of 4%, and interest computed at a rate of
6 1.25% per month, except as provided in section 89, from the date
7 the taxes originally became delinquent pursuant to this act. In
8 the disposition and sale of delinquent tax lands, the people of
9 the state ~~shall~~ have a valid lien upon the lands, with rights
10 to enforce the lien as a preferred or first claim upon the
11 lands. The rights and choses to enforce the lien ~~shall be~~ ARE
12 the prima facie rights of the state, and shall not be set aside
13 or annulled except in the manner and for the causes specified in
14 this act.

15 Sec. 61. Before the time fixed for the annual tax sale,
16 the state treasurer shall cause to be prepared and filed in the
17 office of the county clerk in each county in which lands are to
18 be sold under this act, a petition addressed to the circuit court
19 for the county, stating by appropriate reference to lists or
20 schedules annexed to the petition a description of those lands in
21 the county upon which taxes have remained unpaid for more than 1
22 year after the lands were returned as delinquent, OR FOR LAND
23 IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER SECTION 55A,
24 90 DAYS AFTER THE LANDS WERE RETURNED AS DELINQUENT, and the
25 total amount of the taxes, with interest computed on the amount
26 as provided in this act to May 1 following the filing of the
27 petition, and a county property tax administration fee of 4%

1 extended separately against each parcel of land. Ten dollars
2 shall be added to the total amount against each parcel for
3 expenses as provided in section 59. The petition shall seek a
4 judgment in favor of the state against the land for the payment
5 of the several amounts specified, and in default of those
6 amounts, that the lands be sold. The petition shall be signed by
7 the state treasurer or his or her authorized representative and
8 need not be otherwise verified. ~~, and shall be~~ THE PETITION IS
9 considered equivalent to a bill in chancery to enforce the lien
10 for the taxes, interest, and charges, averring their validity,
11 that the amounts have not been paid, and seeking a sale to pay
12 the lien. Lands bid off in the name of the state and thus held,
13 and on which taxes have been assessed subsequent to the tax for
14 which the lands were sold and purchased by the state, shall be
15 included in the petition for those subsequent taxes ~~which~~ THAT
16 have remained unpaid for more than 1 year after they were
17 returned as delinquent. The petition shall be in a substantial
18 record book, with the lists of lands and taxes annexed following
19 the petition in the book. The record shall be ruled with appro-
20 priate columns, INCLUDING 1 containing a description of the
21 lands, with other columns as the state treasurer ~~finds~~
22 CONSIDERS necessary. The word petition ~~shall include~~ INCLUDES
23 the lists annexed to the petition. The record shall be called
24 tax record. Parts of descriptions of land upon which taxes are
25 paid before sale, or which are withheld from sale, the amount
26 paid on taxes before sale, the amount of taxes, interest, and
27 charges adjudged against lands, special orders made by the court

1 relating to a parcel of land or any tax, the interest in each
2 parcel of land sold, the name of each purchaser and his or her
3 address, and the number of certificate of sale shall be entered
4 in the record under their appropriate headings, opposite the
5 description of lands affected. The county treasurer shall, under
6 the direction of the state treasurer, prepare the lists and
7 schedules required in this section.

8 Sec. 73c. (1) Not later than 120 days OR FOR PARCELS IDEN-
9 TIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER SECTION 55A, NOT
10 LATER THAN 30 DAYS, before the expiration of the redemption
11 period provided in section 74, the county treasurer of each
12 county shall send a notice to each person who, according to the
13 records of his OR HER office, has an interest in a piece or
14 parcel of land offered at the tax sale ~~provided in~~ UNDER sec-
15 tion 70 of this act ~~, and~~ THAT IS not yet redeemed. The county
16 treasurer shall also send notice to all other persons shown by
17 the records of the local assessing officer or local treasurer to
18 have an interest in those lands.

19 (2) On all parcels for which an address is known, the notice
20 shall also be mailed by regular mail addressed to "occupant" if
21 any of the following apply:

22 (a) A prior notice has not been sent to that address.

23 (b) A prior notice sent to that address has been forwarded
24 or returned as undeliverable, except as provided in subsection
25 (3).

1 (3) Certified mail notices returned as
 2 "undeliverable--unclaimed" shall be remailed by first class
 3 mail.

4 (4) The notice to those persons shall be in substantially
 5 the form prescribed below. On parcels bid off to the state and
 6 still a state bid, the notice shall be sent by certified mail
 7 with return receipt demanded, with postage fully prepaid. On all
 8 other parcels not redeemed, the notice shall be sent by first
 9 class mail, address correction requested.

10 Sir OR MADAM:

11 ~~You are hereby notified~~ THIS IS NOTIFY YOU that, according
 12 to the records of this office, the following piece or parcel of
 13 land, which you may have an interest in, was sold at the annual
 14 tax sale of May, 19..., for delinquent taxes of 19..., and prior
 15 years. Unless redeemed from ~~said~~ THE sale on or before
 16 19..., the title to ~~said~~ THE land will vest and
 17 become absolute in the state of Michigan or if the taxes were
 18 paid by a private tax lien buyer, a tax deed will be issued by
 19 the state of Michigan entitling the buyer to collect all taxes
 20 paid plus a 50% penalty and other fees.

21

22 Very truly yours,

1County treasurer or

2 Assessor of.....

3 (5) The cost of mailing the notice ~~herein provided for~~
 4 UNDER THIS SECTION shall be paid to the county treasurer by the
 5 county.

6 (6) Failure to receive or serve the notice or a defect in
 7 the notice ~~shall~~ DOES not invalidate the proceedings taken
 8 under the ~~auditor general's~~ STATE TREASURER'S petition and
 9 ~~decree~~ ORDER of the circuit court ~~—~~ in foreclosure and sale
 10 of the lands for taxes.

11 Sec. 74. (1) Any person, city, or other political subdivi-
 12 sion ~~—~~ owning land sold pursuant to this act ~~—~~ or any inter-
 13 est in these lands, ~~may~~, at any time before the first Tuesday
 14 of May in the year following the sale, OR FOR PARCELS IDENTIFIED
 15 AS ABANDONED RESIDENTIAL PROPERTY UNDER SECTION 55A, BEFORE THE
 16 SECOND TUESDAY IN JULY OF THE YEAR OF THE SALE, MAY redeem any
 17 parcel of these lands, or any part or interest in these lands ~~—~~
 18 by showing to the satisfaction of the county treasurer or depart-
 19 ment of treasury that the person, city, or other political subdivi-
 20 sion owns only that part or interest in the land ~~which~~ THAT
 21 the person, city, or other political subdivision proposes to
 22 redeem, and by paying to the county treasurer or department of
 23 treasury the amount of the sale of the parcel of land, or the
 24 portion of the land wished to be redeemed, and interest ~~thereon~~
 25 ON THAT AMOUNT computed at a rate of 1.25% per month or fraction
 26 of a month, except as provided in section 89, from the first day

1 of the month in which the tax sale opened. If a person, city, or
2 other political subdivision owns less than the whole description
3 sold, the amount required to redeem that part shall be calculated
4 pursuant to section 53. Upon the payment of the redemption money
5 and interest computed at a rate of 1.25% per month, or fraction
6 of a month, except as provided in section 89, to the county trea-
7 surer pursuant to this section, the county treasurer shall issue
8 a redemption certificate in triplicate in a form prescribed by
9 the department of treasury. One of the triplicate certificates
10 shall be delivered to the person making the redemption payment, 1
11 shall be filed in the office of the county treasurer, and 1 shall
12 be immediately transmitted to the department of treasury. If the
13 county treasurer fails to forward the certificate to the depart-
14 ment of treasury as required by this section, the department of
15 treasury may take possession of the certificate in the office of
16 the county treasurer, and the certificates shall after that time
17 be part of the records and files of the department of treasury.

18 (2) The county treasurer shall also make a note of the
19 redemption certificate in the tax record book kept in his or her
20 office, with the name of the payee, and the date and amount
21 paid. All redemption certificates issued pursuant to this sec-
22 tion shall be consecutively numbered by the printer. The county
23 treasurer shall account for each certificate issued and forward a
24 weekly report to the department of treasury accounting for each
25 certificate issued.

26 (3) A certificate, and the entry ~~thereof~~ OF THE
27 CERTIFICATE by the county treasurer, shall be evidence of a

1 redemption payment in the courts of this state. However, each
 2 county treasurer shall make a full and complete report to the
 3 department of treasury of all redemption certificates issued by
 4 him or her during the redemption period. This report shall be
 5 made not later than 20 days after the expiration of the redemp-
 6 tion period. The department of treasury shall compel, in the
 7 manner provided by law, the filing of these reports, as provided
 8 by this section, by the county treasurers and for that purpose
 9 may incur ~~such expense as shall be~~ EXPENSES AS required.

10 (4) Upon a redemption at the office of the state treasurer,
 11 the state treasurer shall issue a redemption certificate in trip-
 12 licate in a form prescribed by him or her. The original shall be
 13 furnished to the person making the redemption, the duplicate
 14 shall be filed with the department of treasury, and the tripli-
 15 cate shall be sent to the county treasurer of the proper county
 16 who shall cause the proper entries to be made on the tax record
 17 of his or her county. This certificate, or a copy of the certif-
 18 icate, and the entry ~~thereof~~ OF THE CERTIFICATE by the county
 19 treasurer, shall be evidence of a redemption payment in the
 20 courts of this state.

21 Sec. 108. (1) The ~~authorities of any~~ GOVERNING BODY OF A
 22 city or village, the charter of which does not so provide, may
 23 provide by ordinance for the return of all unpaid taxes on real
 24 property to the county treasurer in the same manner and with like
 25 effect ~~as returns by township treasurers. In such case the~~
 26 THE words and characters by which the property is described on
 27 the village DELINQUENT tax roll ~~and~~ so returned ~~must~~ SHALL be

1 the same as the words and characters used to describe the
2 property as it appears on the regular township roll. ~~and the~~
3 THE county treasurer shall reject, as provided in section 55,
4 ~~hereof,~~ any description returned by the village treasurer
5 ~~which~~ THAT does not agree with the description as it appears on
6 the regular township tax roll for the same year. The taxes
7 ~~thus~~ returned shall be collected in the same manner as other
8 taxes returned ~~as provided in~~ DELINQUENT UNDER this act. The
9 ~~authorities of any~~ GOVERNING BODY OF A city or village, which
10 ~~by~~ its charter ~~has~~ has the right to sell lands for unpaid
11 taxes or assessments, may provide for judicial sale of ~~such~~
12 THOSE lands. ~~Such~~ THE sale shall be made on petition filed in
13 behalf of the city or village in interest, and shall conform, as
14 near as practicable, to the provisions ~~as to~~ FOR A sale ~~in~~
15 UNDER this act. ~~Provided, That whenever any~~ HOWEVER, IF
16 lands are offered at ~~such~~ sale that have been bid to the state
17 at any tax sale made under the provisions of any general tax law,
18 and upon which ~~such~~ bid or bids remain undischarged, ~~any~~ A
19 sale made of ~~such~~ THOSE lands at the city tax sale ~~shall be~~
20 IS conditioned upon the payment of the tax lien held by the state
21 on ~~said~~ THE land, OTHER THAN LAND IDENTIFIED AS ABANDONED RESI-
22 DENTIAL PROPERTY UNDER SECTION 55A, and the sale, so made, shall
23 be void if the tax lien held by the state ~~shall remain~~ REMAINS
24 unsatisfied.

25 (2) FOR A SALE OF ABANDONED RESIDENTIAL PROPERTY MADE UNDER
26 SUBSECTION (1), ALL TAXES AND SPECIAL ASSESSMENTS THAT ARE A LIEN
27 AGAINST THAT PROPERTY ARE CANCELED.

1 (3) IF THE PROVISIONS OF THE CITY CHARTER FAIL TO PROVIDE
2 SPECIFIC PROVISIONS FOR THE SALE OF ABANDONED RESIDENTIAL PROP-
3 ERTY CONSISTENT WITH THE PROCEDURES OF THIS ACT, A CITY MAY PRE-
4 SCRIBE BY ORDINANCE A PROCEDURE FOR THE SALE OF ABANDONED RESI-
5 DENTIAL PROPERTY CONSISTENT WITH THE PROCEDURES OF THIS ACT.

6 Sec. 131. (1) The director of the department of natural
7 resources may, with the approval of the commission of natural
8 resources, withhold from sale any land ~~which~~ THAT he or she
9 determines to be suitable for state forests, state parks, state
10 game refuges, public hunting, or recreational grounds. The
11 director may set a minimum price for land not withheld from
12 sale. ~~All~~ EXCEPT AS PROVIDED IN SUBSECTION (2), ALL land not
13 withheld from sale and not held by a city or village shall be
14 offered for sale by the director, at a price to be determined by
15 the director, ~~in accordance with~~ PURSUANT TO Act No. 21 of the
16 Public Acts of 1873, as amended, being sections 322.261 to
17 ~~322.264~~ 322.266 of the Michigan Compiled Laws. A bid shall not
18 be accepted for less than the minimum price set by the director.
19 If no bids are received or accepted by the director of the
20 department of natural resources, the director may sell the land
21 to a person applying for the purchase of the land at a price not
22 less than the minimum price affixed by the director. The pro-
23 ceeds of the sale, after deducting costs paid by the department
24 of natural resources for maintaining the land in condition to
25 protect the public health and safety, shall be accounted for to
26 the state, county, township, and school district in which the
27 land is situated, pro rata according to their several interests

1 in the land arising from the nonpayment of taxes and special
2 assessments on the land as ~~such~~ THAT interest appears in the
3 offices of the state, county, city, and village treasurers. A
4 person who purchases land under this section shall, in addition
5 to paying the purchase price, pay to the state a fee of \$10.00
6 per parcel of land purchased plus 5% of the purchase price. The
7 \$10.00 charge and 5% of the purchase price shall be deposited in
8 the state treasury to the credit of the delinquent property tax
9 administration fund.

10 (2) LAND IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER
11 SECTION 55A SHALL BE CONVEYED BY THE DIRECTOR OF THE DEPARTMENT
12 OF NATURAL RESOURCES TO THE LOCAL TAX COLLECTING UNIT IN WHICH
13 THE LAND IS LOCATED OR A DESIGNATED RECIPIENT WITHIN 60 DAYS
14 AFTER THE EXPIRATION OF THE REDEMPTION PERIOD PROVIDED FOR UNDER
15 SECTION 131E. A DESIGNATED PARTY THAT WAS ACTIVELY INVOLVED IN
16 THE IDENTIFICATION OF THE ABANDONED RESIDENTIAL PROPERTY SHALL BE
17 OFFERED THE RIGHT TO BECOME A DESIGNATED RECIPIENT OF THAT PROP-
18 ERTY BEFORE ANY OTHER DESIGNATED RECIPIENT IS APPOINTED BY THE
19 LOCAL TAX COLLECTING UNIT. HOWEVER, THIS SUBSECTION DOES NOT
20 REQUIRE A LOCAL TAX COLLECTING UNIT OR A DESIGNATED RECIPIENT TO
21 ACCEPT A CONVEYANCE OF PROPERTY.

22 (3) ALL TAXES AND SPECIAL ASSESSMENTS THAT ARE A LIEN ON THE
23 PROPERTY SHALL BE CANCELED AT THE TIME OF A TRANSFER UNDER
24 SUBSECTION (2).

25 Sec. 131c. (1) Parcels may at any time before the first
26 Tuesday in November following the vesting of title in the state
27 be redeemed by the payment to the county treasurer of all amounts

1 due on the lands as delinquent taxes and special assessments,
2 which had been assessed or were a lien at the time title vested
3 in the state, together with interest and penalties on the taxes
4 or assessments ~~, along with~~ AND a processing fee of \$50.00 a
5 parcel, interest to be computed to the date of the application to
6 redeem and ~~in accordance with~~ PURSUANT TO this act or the
7 charter of a municipality collecting its own delinquent taxes and
8 assessments for tax and assessment liens of that municipality.
9 Of each \$50.00 per parcel processing fee, the county shall retain
10 \$10.00 and shall transmit \$40.00 to the state treasurer for
11 deposit in the state treasury to the credit of the delinquent
12 property tax administration fund. After the redemption has been
13 effected, the state treasurer shall so certify to the department
14 of natural resources, which shall convey the land described in
15 the certificate to the owner. THIS SUBSECTION DOES NOT APPLY TO
16 PARCELS IDENTIFIED AS ABANDONED RESIDENTIAL PROPERTY UNDER
17 SECTION 55A.

18 (2) ~~Any~~ A municipality may at any time before the first
19 Tuesday in November following the vesting of title in the state
20 of Michigan, withhold from sale any land lying within its bounda-
21 ries by filing with the department of natural resources an appli-
22 cation for the withholding, which application shall accurately
23 describe the land by its legal description according to the
24 records of the state treasurer or the department of natural
25 resources. The withholding shall only be effective until the
26 first Tuesday in November of the year following the date of
27 withholding and shall not affect the right of the state to take

1 possession of the land and manage and rent the ~~same~~ LAND during
2 the period it is withheld. The land withheld may be redeemed by
3 the payment of all amounts as provided in subsection (1). If
4 land included in the application to withhold is not redeemed, the
5 land shall be administered by the department of natural resources
6 as provided in section 131.

7 (3) A municipality collecting its own delinquent taxes and
8 assessments may redeem the land as owner as provided in this sec-
9 tion if the municipality, either before or during the withholding
10 period, has acquired title to the property by foreclosure of its
11 tax or assessment liens or otherwise, and in which foreclosure
12 proceeding the state need not be named as a party. The redemp-
13 tion may be effected by payment in the same manner as provided in
14 this section for redemption for the benefit of the former owner
15 except that all delinquent taxes and special assessments ~~which~~
16 THAT had been assessed or were a lien at the time title vested in
17 the state shall be paid in full, together with interest and
18 penalties, ~~thereon,~~ interest to be computed to the date of
19 application to redeem and ~~in accordance with~~ PURSUANT TO the
20 provisions of the general tax laws, and the tax and assessment
21 liens of the municipality so redeeming need not be paid. After
22 the redemption has been effected, the state treasurer shall so
23 certify to the department of natural resources, which shall
24 convey the land described in the certificate to the
25 municipality.

26 (4) A redemption deed issued pursuant to this section shall
27 not be construed to vest in the grantee named in the deed any

1 title or interest in the lands beyond that which he or she would
2 have owned, had not title become vested in the state. ~~—, but—~~
3 HOWEVER, the grantee ~~—shall be—~~ IS entitled to a lien on the
4 lands, or on such parts of the land or interests in the land as
5 was not owned by him or her, for the amount paid upon the redemp-
6 tion or the portion of the amount as may be lawfully charged to
7 those parts or interests, in addition to the lien or other inter-
8 ests before held by the grantee, ~~—, which~~ which lien may be enforced
9 in any court of competent jurisdiction as ~~—in other cases of—~~ FOR
10 liens upon lands, with interest on the lien ~~—on—~~ AT 6% per year
11 from the date of payment. The deed, except ~~—in those cases~~
12 ~~where—~~ IF there is redemption as owner by foreclosure decree by a
13 municipality collecting its own delinquent taxes and assessments
14 for tax and assessment liens of the municipality as provided in
15 subsection (3), shall operate to revive all titles, liens, and
16 encumbrances, with their respective priorities, as ~~—the same—~~
17 would have existed had not the title become vested in the state,
18 subject to the lien of the grantee named in the deed as provided
19 in this subsection.

20 (5) During the periods of redemption provided by subsection
21 (1) or (2), the director of the department of natural resources
22 or his or her authorized agent shall make a personal visit to
23 each parcel of land deeded to the state for the purpose of ascer-
24 taining whether or not the land is occupied. If the land appears
25 to be occupied, the director or his or her authorized agent shall
26 attempt to personally serve upon a person occupying the land a
27 copy of a notice, stating that the property has been deeded to

1 the state, and unless redeemed, shall be sold to the highest
2 bidder, deeded to a local unit of government, or retained by the
3 state. If unable to personally serve the notice, the notice
4 shall be placed in a conspicuous manner on the premises.

5 Sec. 131e. (1) The redemption period on those lands deeded
6 to the state pursuant to section 67a on or after May 4, 1976,
7 ~~which~~ THAT have a state equalized valuation of \$1,000.00 or
8 more shall be extended until owners of a significant property
9 interest in the lands have been notified of a hearing before the
10 department of treasury. Proof of notice to those persons and
11 notice of the hearing shall be recorded with the register of
12 deeds in the county in which the property is located.

13 (2) The hearing shall be held to allow these owners to show
14 cause as to why the tax sale and the deed to the state should be
15 canceled for any of the reasons specified in section 98. The
16 hearing shall be held after the expiration of the redemption per-
17 iods provided by section 131c.

18 (3) Following expiration of the redemption periods provided
19 by section 131c, property may be redeemed up to 30 days following
20 the date of hearing provided by this section by the payment of
21 the amounts provided for in subsection (4) and in section
22 131c(1), plus an additional penalty of 50% of the tax upon which
23 foreclosure was made. This additional penalty shall be credited
24 to the delinquent property tax administration fund. A redemption
25 under this section shall reinstate title as provided in section
26 131c(4).

1 (4) If property redeemed pursuant to this section has been
2 exempt from taxes levied in any year following the year in which
3 foreclosure was made due to the issuance of a deed to the state,
4 an amount equal to the sum of the following amounts shall be
5 paid, as required by subsection (3), before redemption of the
6 property:

7 (a) An amount computed by applying the special assessment
8 and ad valorem property tax rates levied by taxing units in which
9 the property is located in the years the property was exempt
10 against the most recently established state equalized valuation
11 of the property. For purposes of this subsection special assess-
12 ments ~~shall~~ DOES not include special assessments or special
13 assessment installments deferred pursuant to section 67a.

14 (b) Interest on the delinquent taxes or special assessments
15 to be computed from the date title vested in the state to the
16 date of the application to redeem pursuant to this section.

17 (c) Interest and penalties on taxes and special assessments
18 identified by subdivision (a) that would have been imposed by law
19 or charter and would have accrued if the property had not been
20 exempt, as of the date of the application to redeem pursuant to
21 this section.

22 (5) THE DEPARTMENT SHALL GIVE PREFERENCE TO NOTIFICATION AND
23 SCHEDULING OF HEARINGS FOR PROPERTY IDENTIFIED AS ABANDONED RESI-
24 DENTIAL PROPERTY UNDER SECTION 55A.