



# HOUSE BILL No. 4843

May 16, 1995, Introduced by Rep. Bullard and referred to the Committee on Tax Policy.

A bill to amend section 40 of Act No. 206 of the Public Acts of 1893, entitled as amended "The general property tax act," as amended by Act No. 279 of the Public Acts of 1994, being section 211.40 of the Michigan Compiled Laws; and to add section 40a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Section 40 of Act No. 206 of the Public Acts of  
2 1893, as amended by Act No. 279 of the Public Acts of 1994, being  
3 section 211.40 of the Michigan Compiled Laws, is amended and sec-  
4 tion 40a is added to read as follows:

5 Sec. 40. Notwithstanding any provisions in the charter of  
6 any city or village to the contrary, all taxes become a debt due  
7 to the township, city, village, or county from the owner or  
8 person otherwise ~~to be~~ assessed on the tax day provided for in

1 sections 2 and 13. ~~, and the~~ THE amounts assessed FOR STATE,  
2 COUNTY, VILLAGE, OR TOWNSHIP TAXES on any interest in real prop-  
3 erty shall become a lien on the real property on December 1, ~~for~~  
4 ~~taxes levied before 1995 or on the tax day provided for in sec-~~  
5 ~~tion 2 for state, county, village, or township taxes levied after~~  
6 ~~1994, or upon~~ ON a day provided for by the charter of a city or  
7 village, OR ON THE DAY PROVIDED FOR IN SECTION 40A. The lien for  
8 those amounts, and for all interest and charges on those amounts,  
9 shall continue until paid. Each tax statement and receipt for  
10 taxes on real ~~estate~~ PROPERTY sent or given by any county,  
11 township, city, or village treasurer shall contain a printed,  
12 stamped, or written statement setting forth the date of the com-  
13 mencement and ending of the fiscal year of each taxing unit of  
14 government during which general taxes included on the tax state-  
15 ment or receipt will defray the costs of governmental services  
16 rendered by that local governmental unit. All personal taxes  
17 levied or assessed ~~shall~~ FOR STATE, COUNTY, VILLAGE, OR TOWN-  
18 SHIP TAXES ARE also ~~be~~ a first lien, prior, superior, and para-  
19 mount, on all personal property of the persons ~~so~~ assessed  
20 ~~from and after~~ ON December 1, ~~for taxes levied before 1995 or~~  
21 ~~the tax day provided for in section 2 in each year for state,~~  
22 ~~county, village, or township taxes levied after 1994, or upon~~ ON  
23 a day provided for by the charter of a city or village, ~~and~~  
24 ~~shall remain~~ OR ON THE DAY PROVIDED FOR IN SECTION 40A. THE  
25 LIEN FOR THOSE AMOUNTS, AND FOR ALL INTEREST AND CHARGES ON THOSE  
26 AMOUNTS, SHALL CONTINUE until paid. The tax liens ~~shall~~ take  
27 precedence over all other claims, encumbrances, and liens ~~upon~~

1 ON that personal property, whether created by chattel mortgage,  
2 title retaining contract, execution, ~~upon~~ any final process of  
3 a court, attachment, replevin, judgment, or otherwise. A trans-  
4 fer of personal property assessed for taxes ~~shall~~ DOES not  
5 ~~operate to~~ divest or destroy the lien, except where the per-  
6 sonal property is actually sold in the regular course of retail  
7 trade. The personal property taxes ~~hereafter~~ levied or  
8 assessed by any city or village ~~shall be~~ ARE a first lien,  
9 prior, superior, and paramount to any other claims, liens, or  
10 encumbrances of any kind upon the personal property assessed as  
11 provided in this act, any provisions in the charter of cities or  
12 villages to the contrary notwithstanding.

13 SEC. 40A. (1) THE TREASURER OF A COUNTY, TOWNSHIP, CITY, OR  
14 VILLAGE MAY DESIGNATE THE TAX DAY PROVIDED IN SECTION 2 AS THE  
15 DATE ON WHICH REAL OR PERSONAL PROPERTY TAXES BECOME A LIEN ON  
16 THE REAL OR PERSONAL PROPERTY ASSESSED BY FILING AN AFFIDAVIT IN  
17 THE OFFICE OF THE REGISTER OF DEEDS FOR THE COUNTY IN WHICH THE  
18 REAL OR PERSONAL PROPERTY IS LOCATED ATTESTING THAT 1 OR MORE OF  
19 THE FOLLOWING EVENTS HAVE OCCURRED:

20 (A) THE OWNER OR PERSON OTHERWISE ASSESSED HAS FILED A BANK-  
21 RUPTCY PETITION UNDER THE FEDERAL BANKRUPTCY CODE, TITLE 11 OF  
22 THE UNITED STATES CODE, 11 U.S.C. 101 TO 1330.

23 (B) A SECURED LENDER HAS BROUGHT AN ACTION TO FORECLOSE ON  
24 OR TO ENFORCE AN INTEREST SECURED BY THE REAL OR PERSONAL PROP-  
25 ERTY ASSESSED.

1 (C) THE OWNER, THE PERSON OTHERWISE ASSESSED, OR OTHER  
2 PERSON HAS LIQUIDATED OR IS ATTEMPTING TO LIQUIDATE THE REAL OR  
3 PERSONAL PROPERTY ASSESSED.

4 (D) THE REAL OR PERSONAL PROPERTY ASSESSED IS SUBJECT TO  
5 RECEIVERSHIP UNDER STATE OR FEDERAL LAW.

6 (E) THE OWNER OR PERSON OTHERWISE ASSESSED HAS ASSIGNED THE  
7 REAL OR PERSONAL PROPERTY ASSESSED FOR THE BENEFIT OF HIS OR HER  
8 CREDITORS.

9 (F) THE REAL OR PERSONAL PROPERTY ASSESSED HAS BEEN SEIZED  
10 BY FEDERAL, STATE, OR LOCAL AUTHORITIES.

11 (G) A JUDICIAL ACTION HAS BEEN COMMENCED THAT MAY IMPAIR THE  
12 ABILITY OF THE TAXING AUTHORITY TO COLLECT ANY TAX DUE IN THE  
13 ABSENCE OF A LIEN ON THE REAL OR PERSONAL PROPERTY ASSESSED.

14 (2) THE AFFIDAVIT PROVIDED FOR IN SUBSECTION (1) SHALL  
15 INCLUDE ALL OF THE FOLLOWING:

16 (A) THE YEAR FOR WHICH THE TAXES DUE WERE LEVIED.

17 (B) THE DATE ON WHICH THE TAXES DUE WERE ASSESSED.

18 (C) THE NAME OF THE OWNER OR PERSON OTHERWISE ASSESSED WHO  
19 IS IDENTIFIED IN THE TAX ROLL.

20 (D) THE TAX IDENTIFICATION NUMBER OF THE REAL OR PERSONAL  
21 PROPERTY ASSESSED.