



SENATE BILL No. 1112

September 10, 1996, Introduced by Senator BOUCHARD and referred to the Committee on Finance.

A bill to amend section 131e of Act No. 206 of the Public Acts of 1893, entitled as amended:

"The general property tax act,"

as amended by Act No. 291 of the Public Acts of 1993, being section 211.131e of the Michigan Compiled Laws; and to add section 44c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 131e of Act No. 206 of the Public Acts
2 of 1893, as amended by Act No. 291 of the Public Acts of 1993,
3 being section 211.131e of the Michigan Compiled Laws, is amended
4 and section 44c is added to read as follows:

5 SEC. 44C. AN AD VALOREM SPECIAL ASSESSMENT LEVIED ON PROP-
6 ERTY AFTER DECEMBER 31, 1996 SHALL BE LEVIED ON THE PROPERTY'S
7 TAXABLE VALUE AS DETERMINED UNDER SECTION 27A.

1 Sec. 131e. (1) The redemption period on ~~those lands~~
2 PROPERTY deeded to the state ~~pursuant to~~ UNDER section 67a that
3 ~~have~~ HAS a ~~state equalized valuation~~ TAXABLE VALUE of
4 \$1,000.00 or more shall be extended until THE owners of a signif-
5 icant property interest in the ~~lands~~ PROPERTY have been noti-
6 fied of a hearing before the department of treasury. Proof of
7 ~~notice to those persons and~~ THE notice of the hearing shall be
8 recorded with the register of deeds in the county in which the
9 property is located.

10 (2) The hearing shall be held to allow ~~these~~ THE owners to
11 show cause ~~as to~~ why the tax sale and the deed to the state
12 should be canceled for any ~~of the reasons~~ REASON specified in
13 section 98. The hearing shall be held after the expiration of
14 the redemption periods provided ~~by~~ IN section 131c.

15 (3) ~~Following~~ AFTER expiration of the redemption periods
16 provided ~~by~~ IN section 131c, property may be redeemed ~~up to~~
17 WITHIN 30 days ~~following~~ AFTER the ~~date of~~ hearing provided
18 ~~by this section~~ IN SUBSECTION (2) by ~~the~~ payment of the
19 amounts ~~provided for~~ SET FORTH in subsection (4) and in section
20 131c(1), plus an additional penalty of 50% of the tax ~~upon~~ ON
21 which foreclosure was made. ~~This~~ THE additional penalty shall
22 be credited to the delinquent property tax administration fund.
23 A redemption under this section shall reinstate title as provided
24 in section 131c(4).

25 (4) If property redeemed ~~pursuant to~~ UNDER this section
26 has been exempt from taxes levied in any year ~~following~~ AFTER
27 the year ~~in which~~ OF foreclosure ~~was made due to the issuance~~

1 OF BECAUSE a deed TO THAT PROPERTY WAS ISSUED to the state, an
2 amount equal to the sum of the following amounts shall be paid,
3 as required by subsection (3), before redemption of the
4 property:

5 (a) ~~An~~ FOR TAXES AND SPECIAL ASSESSMENTS LEVIED BEFORE
6 JANUARY 1, 1997, AN amount computed by applying the special
7 assessment and ad valorem property tax rates levied by taxing
8 units in which the property is located in the years the property
9 was exempt against the most recently established state equalized
10 valuation of the property. FOR TAXES AND SPECIAL ASSESSMENTS
11 LEVIED AFTER DECEMBER 31, 1996, AN AMOUNT COMPUTED BY APPLYING
12 THE AD VALOREM PROPERTY TAX RATES LEVIED BY TAXING UNITS IN WHICH
13 THE PROPERTY IS LOCATED IN THE YEARS THE PROPERTY WAS EXEMPT
14 AGAINST THE MOST RECENTLY ESTABLISHED TAXABLE VALUE OF THE
15 PROPERTY. For purposes of this subsection, special assessments
16 ~~does~~ DO not include special assessments or special assessment
17 installments deferred ~~pursuant to~~ UNDER section 67a.

18 (b) Interest on the delinquent taxes or special assessments
19 to be computed from the date title vested in the state to the
20 date of the application to redeem ~~pursuant to~~ UNDER this
21 section.

22 (c) Interest and penalties on taxes and special assessments
23 identified by subdivision (a) that would have been imposed by law
24 or charter and would have accrued if the property had not been
25 exempt, ~~as of~~ COMPUTED FROM THE DATE TITLE VESTED IN THE STATE,
26 TO the date of the application to redeem ~~pursuant to~~ UNDER this
27 section.

1 (5) The department shall give preference to notification and
2 scheduling of hearings for property identified as certified spe-
3 cial residential property under section 55a.