

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4711**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 78h (MCL 211.78h), as added by 1999 PA 123.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 78h. (1) Not later than June 15 in each tax year, the
2 foreclosing governmental unit shall file a SINGLE petition with
3 the clerk of the circuit court of that county listing ~~the~~ ALL
4 property forfeited and not redeemed to the county treasurer under
5 section 78g to be foreclosed under section 78k for the total of
6 the forfeited unpaid delinquent taxes, interest, penalties, and
7 fees. If available to the foreclosing governmental unit, the
8 petition shall include the street address of each parcel of prop-
9 erty set forth in the petition. The petition shall seek a
10 judgment in favor of the foreclosing governmental unit for the
11 forfeited unpaid delinquent taxes, interest, penalties, and fees

HB 4711, As Passed Senate, July 11, 2001

House Bill No. 4711 as amended July 11, 2001

2

1 listed against each parcel of property. The petition shall
2 request that a judgment be entered vesting absolute title to each
3 parcel of property in the foreclosing governmental unit, without
4 right of redemption. ~~Before the date of the hearing on the~~
5 ~~petition, the foreclosing governmental unit shall file with the~~
6 ~~clerk of the circuit court proof of any notice, service, or pub-~~
7 ~~lication required under this act.~~

8 (2) If property is redeemed after the petition for foreclo-
9 sure is filed under this section, the foreclosing governmental
10 unit shall request that the circuit court remove that property
11 from the petition for foreclosure before entry of judgment fore-
12 closing the property under section 78k.

13 (3) The foreclosing governmental unit may withhold the fol-
14 lowing property from the petition for foreclosure filed under
15 this section:

16 (a) Property the title to which is held by minor heirs or
17 persons who are incompetent, ~~or~~ PERSONS without means of
18 support, OR PERSONS UNABLE TO MANAGE THEIR AFFAIRS DUE TO AGE OR
19 INFIRMITY, until a guardian is appointed to protect that person's
20 rights and interests.

21 (b) Property the title to which is held by a person undergo-
22 ing substantial financial hardship, AS DETERMINED UNDER A WRITTEN
23 POLICY DEVELOPED AND ADOPTED BY THE FORECLOSING GOVERNMENTAL UNIT.
THE FORECLOSING GOVERNMENTAL UNIT SHALL MAKE AVAILABLE TO THE PUBLIC
THE WRITTEN POLICY ADOPTED UNDER THIS SUBDIVISION. THE WRITTEN
POLICY ADOPTED UNDER THIS SUBDIVISION SHALL INCLUDE, BUT IS NOT
LIMITED TO, ALL OF THE FOLLOWING:

(i) THE PERSON REQUESTING THAT THE PROPERTY BE WITHHELD FROM
THE PETITION FOR FORECLOSURE HOLDS THE TITLE TO THE PROPERTY.

(ii) THE HOUSEHOLD INCOME OF THE PERSON REQUESTING THAT THE
PROPERTY BE WITHHELD FROM THE PETITION FOR FORECLOSURE MEETS THE
FEDERAL POVERTY INCOME STANDARDS AS DEFINED AND DETERMINED ANNUALLY
BY THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET OR ALTERNATIVE
GUIDELINES ADOPTED BY THE FORECLOSING GOVERNMENTAL UNIT. PROVIDED
THAT THE ALTERNATIVE GUIDELINES INCLUDE ALL PERSONS WHO WOULD
OTHERWISE MEET THE FEDERAL POVERTY INCOME STANDARDS UNDER THIS
SUBPARAGRAPH. AS USED IN THIS SUBPARAGRAPH, "HOUSEHOLD INCOME"
MEANS THAT TERM AS DEFINED IN SECTION 508 OF THE INCOME TAX ACT OF
1967, 1967 PA 281, MCL 206.508.

24 (4) If a foreclosing governmental unit withholds property
25 from the petition for foreclosure under subsection (3), a taxing

HB 4711, As Passed Senate, July 11, 2001

26 unit's lien for taxes due or the foreclosing governmental unit's

H04253'01 (S-2)

HB 4711, As Passed Senate, July 11, 2001

House Bill No. 4711

3

1 right to include the property in a subsequent petition for
2 foreclosure is not prejudiced.

3 (5) The clerk of the circuit court in which the petition is
4 filed shall immediately set the date, time, and place for a hear-
5 ing on the petition for foreclosure, which hearing shall be held
6 not more than 30 days before the March 1 immediately succeeding
7 the date the petition for foreclosure is filed.