

Act No. 179
Public Acts of 2002
Approved by the Governor
April 23, 2002
Filed with the Secretary of State
April 23, 2002
EFFECTIVE DATE: April 23, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator McCotter

ENROLLED SENATE BILL No. 916

AN ACT to amend 1943 PA 92, entitled "An act to protect the interest of the public, acquired other than through taxation, in lands under the jurisdiction and control of the state land office board and department of conservation, and to make an appropriation therefor," by amending sections 1, 2, 3, and 4 (MCL 211.371, 211.372, 211.373, and 211.374).

The People of the State of Michigan enact:

Sec. 1. (1) If the department of natural resources discovers before the execution and delivery of a deed or the execution of a contract for the sale of any land, apparent title to which vested in this state by virtue of a tax sale, that this state, or any board, officer, commission, department, public corporation, governmental subdivision, agency, municipal or quasi-municipal corporation of this state owned any parcel of land or part of a parcel or interest in a parcel prior to the apparent vesting of title to that parcel in this state, the department having jurisdiction over the land shall withhold the land or that part of land publicly owned or in which the public had an interest, from public sale, and notify the state treasurer of the withholding and the reason for the withholding.

(2) As used in this act, "department" means the department of natural resources.

Sec. 2. (1) The land or part of the land withheld shall be conveyed by deed by the department to the grantee or grantees, including this state, that would have had title to the land if the apparent title had not vested in this state as a result of tax sale proceedings.

(2) If any taxes or special assessments are lawfully due upon the land because the public interest was acquired after the tax day, after the special assessments had become a lien, or for any other reason, the taxes and special assessments shall be paid to the county treasurer and to the city treasurer if the land lies within the limits of a city collecting its own delinquent taxes and special assessments and the fact of the payment shall be certified to the department by the state treasurer prior to the execution and delivery of the conveyance. The taxes and special assessments shall be distributed and accounted for in the same manner as if paid at the time of the acquisition of the interest of the public in the land.

(3) Interest and penalties due upon the taxes and special assessments shall not be required to be computed or paid beyond the time when the public acquired an interest in the land.

(4) If the public interest in the land was less than a fee simple absolute prior to the apparent vesting of title in this state, this state or any board, officer, commission, department, public corporation, governmental subdivision, agency, municipal or quasi-municipal corporation of this state paying the valid taxes and special assessments shall have a lien on the land or interest in the land not publicly owned for the portion of the amount paid that is lawfully chargeable to the interest not owned by the public, as described in this section. The lien may be foreclosed in the circuit court for the county in which the land or any part of the land is situated. The lien shall bear interest at the rate of 6% per annum from the date of the payment.

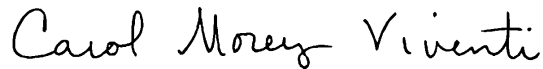
Sec. 3. Taxes and special assessments subsequently assessed upon property acquired by the public prior to the tax day shall be rejected by the state treasurer and shall be reassessed in the same manner as if the land or part of the land had not been sold at tax sale. In case a geographical part only of the land was owned by the public prior to the apparent vesting of title in this state as the result of tax sale proceedings, the remaining part of the land shall be disposed of by the department in the usual manner, and a division of the taxes and special assessments shall be made in the same manner as though the taxes had not yet become delinquent.

Sec. 4. (1) Payment of valid taxes and special assessments due on lands in which an interest was acquired by this state, or any board, officer, commission, department, public corporation, governmental subdivision, or agency of this state, except lands under the jurisdiction and control of the state transportation department, shall be made by the state treasurer in the usual manner.

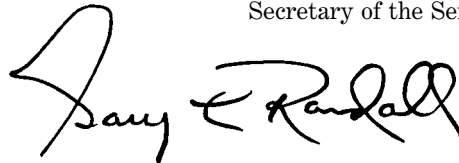
(2) In the case of lands in which an interest was acquired by any governmental subdivision or agency of this state, the functions of which are local and for the support of which real property taxes are required or permitted to be raised locally, the valid taxes and special assessments on the land shall be paid by the governmental subdivision or agency of this state.

(3) In all cases in which payment is required to be made out of the state treasury, payment shall be made only upon the written approval of the state treasurer and the attorney general. The approval shall be filed and kept in the office of the state treasurer. Payment shall be made by the interested municipal or quasi-municipal corporation or the state transportation department in all other cases.

This act is ordered to take immediate effect.



Secretary of the Senate.



Clerk of the House of Representatives.

Approved _____

Governor.