

HOUSE BILL No. 6030

June 17, 2004, Introduced by Reps. Cheeks, Hunter, McConico, Stallworth, Farrah, Condino, Amos, Waters, Plakas, Gaffney, Law, Smith, Williams, Lipsey, Daniels, Ward, Hune, Wojno, Vagnozzi, Phillips, Woodward, Accavitti, Reeves, Whitmer, Rivet, Kolb, Dennis, Spade, Clack and Hardman and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 59, 78b, 78c, 78f, 78g, 78i, 78k, 78l, and
78m (MCL 211.59, 211.78b, 211.78c, 211.78f, 211.78g, 211.78i,
211.78k, 211.78l, and 211.78m), section 59 as amended by 2001 PA
97 and sections 78b, 78c, 78f, 78g, 78i, 78k, 78l, and 78m as
amended by 2003 PA 263.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 59. (1) A person may pay the taxes, any 1 of the
2 taxes, a portion of the taxes specified by resolution of the
3 county board of commissioners, or if a specification is not made
4 by a resolution of the county board of commissioners, a portion
5 of the taxes approved by the county treasurer on a parcel or
6 description of property returned as delinquent, or on an
7 undivided share of a parcel or description of property returned

1 as delinquent. For taxes levied on real property before
2 January 1, 1999 and for taxes levied on personal property, the
3 amount paid under this subsection shall include interest computed
4 from the March 1 after the taxes were assessed at the rate of 1%
5 per month or fraction of a month, except as provided in section
6 89, and 4% of the delinquent taxes as a county property tax
7 administration fee that shall be a minimum of \$1.00 per payment
8 of delinquent taxes, except as provided in section 89. Payment
9 under this subsection shall be made to the county treasurer of
10 the county in which the property is situated ~~—~~ at any time
11 before the property is sold at a tax sale held pursuant to
12 section 60 ~~—, bid off to this state pursuant to section 70,~~ or
13 forfeited to a county treasurer pursuant to section 78g. **Payment**
14 **under this subsection shall be credited against the most**
15 **delinquent taxes.** The county treasurer and the treasurer for the
16 local tax collecting unit shall allocate and distribute the taxes
17 and interest paid proportionately among the county or local tax
18 collecting unit funds and the property tax administration fee
19 returned as delinquent under section 44(6) to the treasurer of
20 the local tax collecting unit who transmitted the taxes returned
21 as delinquent. For taxes levied before January 1, 1999, on all
22 descriptions of property with unpaid taxes on the October 1
23 before the time prescribed for the sale of a tax lien on the
24 property, an additional \$10.00 shall be charged for expenses,
25 which shall be a lien on the property. If collected, \$5.00 of
26 this expense charge shall be credited to a restricted revenue
27 fund of this state, to be known as the delinquent property tax

1 administration fund, to reimburse this state for the cost of
2 publishing the lists of property and other expenses, and \$5.00
3 shall belong to the general fund of the county to reimburse the
4 county for the expense incurred in preparing the list of
5 delinquent property for sale or forfeiture.

6 (2) For taxes levied before January 1, 1999, the property
7 tax administration fee paid to the county treasurer shall be
8 credited to the general fund of the county and the property tax
9 administration fee paid to the state treasurer shall be credited
10 to the delinquent property tax administration fund. Amounts
11 credited to the general fund of the county shall be used only for
12 the purposes specified in subsection (6).

13 (3) For taxes levied before January 1, 1999, and for taxes
14 levied after December 31, 1998, a county board of commissioners,
15 by resolution, may provide all of the following for taxes paid
16 before May 1 in the first year of delinquency for the homestead
17 property of a senior citizen, paraplegic, hemiplegic,
18 quadriplegic, eligible serviceman, eligible veteran, eligible
19 widow, totally and permanently disabled person, or blind person,
20 as those persons are defined in chapter 9 of the income tax act
21 of 1967, 1967 PA 281, MCL 206.501 to 206.532, if a claim is made
22 before February 15 for the credit provided by chapter 9 of the
23 income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if
24 that claimant presents a copy of the form filed for that credit
25 to the county treasurer, and if that claimant has not received
26 the credit before March 1:

27 (a) Any interest, fee, or penalty in excess of the interest,

1 fee, or penalty that would have been added if the tax had been
2 paid before February 15 is waived.

3 (b) Interest paid under subsection (1) or section 89(1)(a)
4 is waived unless the interest is pledged to the repayment of
5 delinquent tax revolving fund notes or payable to the county
6 delinquent tax revolving fund, in which case the interest shall
7 be refunded from the general fund of the county.

8 (c) The county property tax administration fee is waived.

9 (4) The treasurer of the local tax collecting unit shall
10 indicate on the delinquent tax roll if a 1% property tax
11 administration fee was added to taxes collected before
12 February 15.

13 (5) The fees authorized and collected under this section and
14 credited to the delinquent property tax administration fund shall
15 be used by the department of treasury to pay expenses incurred in
16 the administration of this act.

17 (6) The county property tax administration fee shall be used
18 by the county to offset the costs incurred in and ancillary to
19 collecting delinquent property taxes and for purposes authorized
20 by sections 87b and 87d.

21 Sec. 78b. Except as otherwise provided in section 79 for
22 certified abandoned property, on the June 1 immediately
23 succeeding the date that unpaid taxes are returned to the county
24 treasurer ~~for forfeiture, foreclosure, and sale under section~~
25 ~~60a(1) or (2) or returned to the county treasurer~~ as delinquent
26 under section 78a, the county treasurer shall send notice of all
27 the following by ~~first-class mail, address correction requested~~

1 **certified mail, return receipt mandatory**, to the person to whom a
2 tax bill for property returned for delinquent taxes was last sent
3 or to the person identified as the owner of property returned for
4 delinquent taxes, to a person entitled to notice of the return of
5 delinquent taxes under section 78a(4), and to a person to whom a
6 tax certificate for property returned for delinquent taxes was
7 issued pursuant to section 71, as shown on the current records of
8 the county treasurer:

9 (a) The date property on which unpaid taxes were returned as
10 delinquent will be forfeited to the county treasurer for those
11 unpaid delinquent taxes, interest, penalties, and fees.

12 (b) A statement that a person who holds a legal interest in
13 the property may lose that interest as a result of the forfeiture
14 and subsequent foreclosure proceeding.

15 (c) A legal description or parcel number of the property and
16 the street address of the property, if available.

17 (d) The person or persons to whom the notice is addressed.

18 (e) The unpaid delinquent taxes, interest, penalties, and
19 fees due on the property.

20 (f) A statement that unless those unpaid delinquent taxes,
21 interest, penalties, and fees are paid ~~on or before the March 31~~
22 ~~immediately succeeding the entry in an uncontested case of a~~
23 ~~judgment foreclosing the property under section 78k~~ **within 6**
24 **months after the entry of a judgment for possession of the**
25 **property is entered under chapter 57 of the revised judicature**
26 **act of 1961, 1961 PA 236, MCL 600.5701 to 600.5759, absolute**
27 **title to the property shall vest in the foreclosing governmental**

1 unit.

2 (g) A statement of the person's rights of redemption and
 3 notice that the rights of redemption will expire ~~on the March 31~~
 4 ~~immediately succeeding the entry in an uncontested case of a~~
 5 ~~judgment foreclosing the property under section 78k~~ **6 months**
 6 **after the entry of a judgment for possession of the property is**
 7 **entered under chapter 57 of the revised judicature act of 1961,**
 8 **1961 PA 236, MCL 600.5701 to 600.5759.**

9 Sec. 78c. Except as otherwise provided in section 79 for
 10 certified abandoned property, on the September 1 immediately
 11 succeeding the date that unpaid taxes are returned to ~~the county~~
 12 ~~treasurer for forfeiture, foreclosure, and sale under section~~
 13 ~~60a(1) or (2) or returned to~~ the county treasurer as delinquent
 14 under section 78a, the county treasurer shall send notice of all
 15 the following by ~~first class mail, address correction requested~~
 16 **certified mail, return receipt mandatory**, to the person to whom a
 17 tax bill for property returned for delinquent taxes was last sent
 18 or to the person identified as the owner of property returned for
 19 delinquent taxes, to a person entitled to notice of the return of
 20 delinquent taxes under section 78a(4), and to a person to whom a
 21 tax certificate for property returned for delinquent taxes was
 22 issued pursuant to section 71, as shown on the current records of
 23 the county treasurer:

24 (a) The date property on which unpaid taxes were returned as
 25 delinquent will be forfeited to the county treasurer for those
 26 unpaid delinquent taxes, interest, penalties, and fees.

27 (b) A statement that a person who holds a legal interest in

1 the property may lose that interest as a result of the forfeiture
2 and subsequent foreclosure proceeding.

3 (c) A legal description or parcel number of the property and
4 the street address of the property, if available.

5 (d) The person or persons to whom the notice is addressed.

6 (e) The unpaid delinquent taxes, interest, penalties, and
7 fees due on the property.

8 (f) A schedule of the additional fees that will accrue on the
9 immediately succeeding October 1 pursuant to section 78d if the
10 unpaid delinquent taxes, interest, penalties, and fees due on the
11 property are not paid.

12 (g) A statement that unless those unpaid delinquent taxes,
13 interest, penalties, and fees are paid ~~on or before the March 31~~
14 ~~immediately succeeding the entry in an uncontested case of a~~
15 ~~judgment foreclosing the property under section 78k~~ **within 6**
16 **months after the entry of a judgment for possession of the**
17 **property is entered under chapter 57 of the revised judicature**
18 **act of 1961, 1961 PA 236, MCL 600.5701 to 600.5759, absolute**
19 **title to the property shall vest in the foreclosing governmental**
20 **unit.**

21 (h) A statement of the person's rights of redemption and
22 notice that the rights of redemption will expire ~~on the March 31~~
23 ~~immediately succeeding the entry in an uncontested case of a~~
24 ~~judgment foreclosing the property under section 78k~~ **6 months**
25 **after the entry of a judgment for possession of the property is**
26 **entered under chapter 57 of the revised judicature act of 1961,**
27 **1961 PA 236, MCL 600.5701 to 600.5759.**

1 Sec. 78f. (1) Except as otherwise provided in section 79
2 for certified abandoned property, not later than the February 1
3 immediately succeeding the date that unpaid taxes were returned
4 ~~to the county treasurer for forfeiture, foreclosure, and sale~~
5 ~~under section 60a(1) or (2) or returned~~ to the county treasurer
6 as delinquent under section 78a, the county treasurer shall send
7 a notice by certified mail, return receipt ~~requested~~ **mandatory**,
8 to the person to whom a tax bill for property returned for
9 delinquent taxes was last sent and, if different, to the person
10 identified as the owner of property returned for delinquent taxes
11 as shown on the current records of the county treasurer and to
12 those persons identified under section 78e(2). The notice
13 required under this subsection shall include all of the
14 following:

15 (a) The date property on which those unpaid taxes were
16 returned as delinquent will be forfeited to the county treasurer
17 for the unpaid delinquent taxes, interest, penalties, and fees.

18 (b) A statement that a person who holds a legal interest in
19 the property may lose that interest as a result of the forfeiture
20 and subsequent foreclosure proceeding.

21 (c) A legal description or parcel number of the property and
22 the street address of the property, if available.

23 (d) The person to whom the notice is addressed.

24 (e) The unpaid delinquent taxes, interest, penalties, and
25 fees due on the property.

26 (f) A schedule of the additional interest, penalties, and
27 fees that will accrue on the immediately succeeding March 1

1 pursuant to section 78g if those unpaid delinquent taxes,
2 interest, penalties, and fees due on the property are not paid.

3 (g) A statement that unless those unpaid delinquent taxes,
4 interest, penalties, and fees are paid ~~on or before the March 31~~
5 ~~immediately succeeding the entry in an uncontested case of a~~
6 ~~judgment foreclosing the property under section 78k~~ **within 6**
7 **months after the entry of a judgment for possession of the**
8 **property is entered under chapter 57 of the revised judicature**
9 **act of 1961, 1961 PA 236, MCL 600.5701 to 600.5759, absolute**
10 title to the property shall vest in the foreclosing governmental
11 unit.

12 (h) A statement of the person's rights of redemption and
13 notice that the rights of redemption will expire ~~on the March 31~~
14 ~~immediately succeeding the entry in an uncontested case of a~~
15 ~~judgment foreclosing the property under section 78k~~ **6 months**
16 **after the entry of a judgment for possession of the property is**
17 **entered under chapter 57 of the revised judicature act of 1961,**
18 **1961 PA 236, MCL 600.5701 to 600.5759.**

19 (2) The notice required under subsection (1) shall also be
20 mailed to the property by ~~first-class mail~~ **certified mail,**
21 **return receipt mandatory,** addressed to "occupant", if the notice
22 was not sent to the occupant of the property pursuant to
23 subsection (1).

24 (3) A county treasurer ~~may~~ **shall** insert 1 or more
25 additional notices in ~~a~~ **the** newspaper **with the largest**
26 **circulation** published and circulated in the county in which the
27 property is located, if there is one. If no newspaper is

1 published in that county, publication ~~may~~ **shall** be made in ~~a~~
2 **the newspaper with the largest circulation** published and
3 circulated in an adjoining county.

4 (4) The county treasurer ~~may~~ **shall** publish the street
5 address, if available, of property subject to forfeiture under
6 section 78g on the immediately succeeding March 1 for delinquent
7 taxes or the street address, if available, of property subject to
8 forfeiture under section 78g on the immediately succeeding March
9 1 for delinquent taxes and the name of the person to whom a tax
10 bill for property returned for delinquent taxes was last sent
11 and, if different, the name of the person identified as the owner
12 of the property returned for delinquent taxes as shown on the
13 current records of the county treasurer in ~~a~~ **the newspaper with**
14 **the largest circulation** published and circulated in the county in
15 which the property is located, if there is one. If no newspaper
16 is published in that county, publication may be made in ~~a~~ **the**
17 **newspaper with the largest circulation** published and circulated
18 in an adjoining county.

19 Sec. 78g. (1) Except as otherwise provided in this
20 subsection, on March 1 in each tax year, certified abandoned
21 property and property that is delinquent for taxes, interest,
22 penalties, and fees for the immediately preceding 12 months or
23 more is forfeited to the county treasurer for the total amount of
24 those unpaid delinquent taxes, interest, penalties, and fees. If
25 property is forfeited to a county treasurer under this
26 subsection, the foreclosing governmental unit does not have a
27 right to possession of the property until ~~the April 1~~

1 ~~immediately succeeding the entry of a judgment foreclosing the~~
2 ~~property under section 78k or in a contested case until 22 days~~
3 ~~after the entry of a judgment foreclosing the property under~~
4 ~~section 78k~~ 6 months after the entry of a judgment for
5 possession of the property is entered under chapter 57 of the
6 revised judicature act of 1961, 1961 PA 236, MCL 600.5701 to
7 600.5759. If property is forfeited to a county treasurer under
8 this subsection, the county treasurer shall add a \$175.00 fee to
9 each parcel of property for which those delinquent taxes,
10 interest, penalties, and fees remain unpaid. A county treasurer
11 shall withhold a parcel of property from forfeiture for any
12 reason determined by the state tax commission. The procedure for
13 withholding a parcel of property from forfeiture under this
14 subsection shall be determined by the state tax commission.

15 (2) Not more than 45 days after property is forfeited under
16 subsection (1), the county treasurer shall record with the county
17 register of deeds a certificate in a form determined by the
18 department of treasury for each parcel of property forfeited to
19 the county treasurer, specifying that the property has been
20 forfeited to the county treasurer and not redeemed and that
21 absolute title to the property shall vest in the county treasurer
22 ~~on the March 31 immediately succeeding the entry of a judgment~~
23 ~~foreclosing the property under section 78k or in a contested case~~
24 ~~21 days after the entry of a judgment foreclosing the property~~
25 ~~under section 78k~~ 6 months after the entry of a judgment for
26 possession of the property is entered under chapter 57 of the
27 revised judicature act of 1961, 1961 PA 236, MCL 600.5701 to

1 **600.5759.** If a certificate of forfeiture is recorded in error,
 2 the county treasurer shall record with the county register of
 3 deeds a certificate of error in a form prescribed by the
 4 department of treasury. A certificate submitted to the county
 5 register of deeds for recording under this subsection need not be
 6 notarized and may be authenticated by a digital signature of the
 7 county treasurer or by other electronic means. If the county has
 8 elected under section 78 to have this state foreclose property
 9 under this act forfeited to the county treasurer under this
 10 section, the county treasurer shall immediately transmit to the
 11 department of treasury a copy of each certificate recorded under
 12 this subsection. The county treasurer shall upon collection
 13 transmit to the department of treasury within 30 days the fee
 14 added to each parcel under subsection (1), which may be paid from
 15 the county's delinquent tax revolving fund and shall be deposited
 16 in the land reutilization fund created under section 78n.

17 (3) Property forfeited to the county treasurer under
 18 subsection (1) may be redeemed at any time ~~on or before the~~
 19 ~~March 31 immediately succeeding the entry of a judgment~~
 20 ~~foreclosing the property under section 78k or in a contested case~~
 21 ~~within 21 days of the entry of a judgment foreclosing the~~
 22 ~~property under section 78k~~ **within 6 months after the entry of a**
 23 **judgment for possession of the property is entered under chapter**
 24 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
 25 **600.5701 to 600.5759,** upon payment to the county treasurer of all
 26 of the following:

27 (a) The total amount of unpaid delinquent taxes, interest,

1 penalties, and fees for which the property was forfeited.

2 (b) In addition to the interest calculated under ~~sections~~
3 ~~60a(1) or (2) and~~ **section** 78a(3), additional interest computed
4 at a noncompounded rate of 1/2% per month or fraction of a month
5 on the taxes that were originally returned as delinquent,
6 computed from the March 1 preceding the forfeiture.

7 (c) All recording fees and all fees for service of process or
8 notice.

9 (4) If property is redeemed by a person with a legal interest
10 as provided under subsection (3), any unpaid taxes not returned
11 as delinquent to the county treasurer under section 78a are not
12 extinguished.

13 (5) If property is redeemed by a person with a legal interest
14 as provided under subsection (3), the person redeeming does not
15 acquire a title or interest in the property greater than that
16 person would have had if the property had not been forfeited to
17 the county treasurer, but the person redeeming, other than the
18 owner, is entitled to a lien for the amount paid to redeem the
19 property in addition to any other lien or interest the person may
20 have, which shall be recorded within 30 days with the register of
21 deeds by the person entitled to the lien. The lien acquired
22 shall have the same priority as the existing lien, title, or
23 interest.

24 (6) If property is redeemed as provided under subsection (3),
25 the county treasurer shall issue a redemption certificate in
26 quadruplicate in a form prescribed by the department of
27 treasury. One of the quadruplicate certificates shall be

1 delivered to the person making the redemption payment, 1 shall be
2 filed in the office of the county treasurer, 1 shall be recorded
3 in the office of the county register of deeds, and 1 shall be
4 immediately transmitted to the department of treasury if this
5 state is the foreclosing governmental unit. The county treasurer
6 shall also make a note of the redemption certificate in the tax
7 record kept in his or her office, with the name of the person
8 making the final redemption payment, the date of the payment, and
9 the amount paid. If the county treasurer accepts partial
10 redemption payments, the county treasurer shall include in the
11 tax record kept in his or her office the name of the person or
12 persons making each partial redemption payment, the date of each
13 partial redemption payment, the amount of each partial redemption
14 payment, and the total amount of all redemption payments. A
15 certificate and the entry of the certificate in the tax record by
16 the county treasurer is prima facie evidence of a redemption
17 payment in the courts of this state. A certificate submitted to
18 the county register of deeds for recording under this subsection
19 need not be notarized and may be authenticated by a digital
20 signature of the county treasurer or by other electronic means.
21 If a redemption certificate is recorded in error, the county
22 treasurer shall record with the county register of deeds a
23 certificate of error in a form prescribed by the department of
24 treasury. A copy of a certificate of error recorded under this
25 section shall be immediately transmitted to the department of
26 treasury if this state is the foreclosing governmental unit.
27 **Payment under this subsection shall be credited against the most**

1 delinquent taxes.

2 (7) If a foreclosing governmental unit has reason to believe
3 that a property forfeited under this section may be the site of
4 environmental contamination, the foreclosing governmental unit
5 shall provide the department of environmental quality with any
6 information in the possession of the foreclosing governmental
7 unit that suggests the property may be the site of environmental
8 contamination.

9 Sec. 78i. (1) Not later than May 1 immediately succeeding
10 the forfeiture of property to the county treasurer under section
11 78g, the foreclosing governmental unit shall initiate a search of
12 records identified in subsection (6) to identify the owners of a
13 property interest in the property who are entitled to notice
14 under this section of the show cause hearing under section 78j
15 and the foreclosure hearing under section 78k. The foreclosing
16 governmental unit may enter into a contract with 1 or more
17 authorized representatives to perform a title search or may
18 request from 1 or more authorized representatives another title
19 search product to identify the owners of a property interest in
20 the property as required under this subsection or to perform
21 other functions required for the collection of delinquent taxes
22 under this act.

23 (2) After conducting the search of records under subsection
24 (1), the foreclosing governmental unit or its authorized
25 representative shall determine the address reasonably calculated
26 to apprise those owners of a property interest of the show cause
27 hearing under section 78j and the foreclosure hearing under

1 section 78k and shall send notice of the show cause hearing under
2 section 78j and the foreclosure hearing under section 78k to
3 those owners, to a person entitled to notice of the return of
4 delinquent taxes under section 78a(4) ~~—, and to a person to whom~~
5 ~~a tax deed for property returned for delinquent taxes was issued~~
6 ~~pursuant to section 72—~~ as determined by the records of the state
7 treasurer or county treasurer as applicable, by certified mail,
8 return receipt ~~requested~~ **mandatory**, not less than 30 days
9 before the show cause hearing. If after conducting the search of
10 records under subsection (1) the foreclosing governmental unit is
11 unable to determine an address reasonably calculated to inform a
12 person with an interest in a forfeited property, or if the
13 foreclosing governmental unit discovers a deficiency in notice
14 under subsection (4), the following shall be considered
15 reasonable steps by the foreclosing governmental unit or its
16 authorized representative to ascertain the address of a person
17 entitled to notice under this section or to ascertain an address
18 necessary to correct the deficiency in notice under subsection
19 (4):

20 (a) For an individual, a search of the records of the probate
21 court for the county in which the property is located.

22 (b) For an individual, a search of the qualified voter file
23 established under section 509o of the Michigan election law, 1954
24 PA 116, MCL 168.509o, which is authorized by this subdivision.

25 (c) For a partnership, a search of partnership records filed
26 with the county clerk.

27 (d) For a business entity other than a partnership, a search

1 of business entity records filed with the department of labor and
2 economic growth.

3 (3) The foreclosing governmental unit or its authorized
4 representative or authorized agent shall make a personal visit to
5 each parcel of property forfeited to the county treasurer under
6 section 78g to ascertain whether or not the property is
7 occupied. If the property appears to be occupied, the
8 foreclosing governmental unit or its authorized representative
9 shall do all of the following:

10 (a) Attempt to personally serve upon a person occupying the
11 property notice of the show cause hearing under section 78j and
12 the foreclosure hearing under section 78k.

13 (b) If a person occupying the property is personally served,
14 orally inform the occupant that the property will be foreclosed
15 and the occupants will be required to vacate unless all forfeited
16 unpaid delinquent taxes, interest, penalties, and fees are paid,
17 of the time within which all forfeited unpaid delinquent taxes,
18 interest, penalties, and fees must be paid, and of agencies or
19 other resources that may be available to assist the owner to
20 avoid loss of the property.

21 (c) If the occupant appears to lack the ability to understand
22 the advice given, notify the family independence agency or
23 provide the occupant with the names and telephone numbers of the
24 agencies that may be able to assist the occupant.

25 ~~(d) If the foreclosing governmental unit or its authorized~~
26 ~~representative is not able to personally meet with the occupant,~~
27 ~~the~~ **The** foreclosing governmental unit or its authorized

1 representative shall place the notice in a conspicuous manner on
2 the property and shall also place in a conspicuous manner on the
3 property a notice that explains, in plain English, that the
4 property will be foreclosed unless forfeited unpaid delinquent
5 taxes, interest, penalties, and fees are paid, the time within
6 which forfeited unpaid delinquent taxes, interest, penalties, and
7 fees must be paid, and the names, addresses, and telephone
8 numbers of agencies or other resources that may be available to
9 assist the occupant to avoid loss of the property. **The notice**
10 **shall be on 11-inch by 15-inch legal size, bright, iridescent paper and**
11 **printed in 24-point bold lettering. The foreclosing governmental**
12 **unit shall photograph each notice placed on the property.** If this
13 state is the foreclosing governmental unit within a county, the
14 department of natural resources shall perform the personal visit
15 to each parcel of property under this subsection on behalf of
16 this state.

17 (4) If the foreclosing governmental unit or its authorized
18 representative discovers any deficiency in the provision of
19 notice, the foreclosing governmental unit shall take reasonable
20 steps in good faith to correct that deficiency not later than 30
21 days before the show cause hearing under section 78j, if
22 possible. **If it is determined that within a county there is a**
23 **deficiency in the provision of notice to 20% or more of the**
24 **owners of a property interest who are entitled to notice under**
25 **this section, an owner of a property interest who is entitled to**
26 **notice under this section, his or her authorized representative,**
27 **or his or her attorney may seek a writ of mandamus under chapter**

1 44 of the revised judicature act, 1961 PA 236, MCL 600.4401 to
 2 600.4431, to compel the foreclosing governmental unit or its
 3 authorized representative to correct that deficiency in notice.

4 (5) ~~If the foreclosing governmental unit or its authorized~~
 5 ~~representative is unable to ascertain the address reasonably~~
 6 ~~calculated to apprise the owners of a property interest entitled~~
 7 ~~to notice under this section, or is unable to notify the owner of~~
 8 ~~a property interest under subsection (2), the~~ In addition to
 9 service by certified mail, return receipt mandatory and a
 10 personal visit, notice shall also be made by publication. A
 11 notice shall be published for 3 successive weeks, once each week,
 12 in ~~a~~ the newspaper with the largest circulation published and
 13 circulated in the county in which the property is located, if
 14 there is one. If no paper is published in that county,
 15 publication shall be made in ~~a~~ the newspaper with the largest
 16 circulation published and circulated in an adjoining county.
 17 This publication shall be ~~instead of~~ in addition to the notice
 18 under subsection (2).

19 (6) The owner of a property interest is entitled to notice
 20 under this section of the show cause hearing under section 78j
 21 and the foreclosure hearing under section 78k if that owner's
 22 interest was identifiable by reference to any of the following
 23 sources before the date that the county treasurer records the
 24 certificate required under section 78g(2):

25 (a) Land title records in the office of the county register
 26 of deeds.

27 (b) Tax records in the office of the county treasurer.

(c) Tax records in the office of the local assessor.

(d) Tax records in the office of the local treasurer.

(7) The notice required under subsections (2) and (3) shall include all of the following:

(a) The date on which the property was forfeited to the county treasurer.

(b) A statement that the person notified may lose his or her interest in the property as a result of the foreclosure proceeding under section 78k.

(c) A legal description or parcel number of the property and the street address of the property, if available.

(d) The person to whom the notice is addressed.

(e) The total taxes, interest, penalties, and fees due on the property.

(f) The date and time of the show cause hearing under section 78j.

(g) The date and time of the hearing on the petition for foreclosure under section 78k, and a statement that unless the forfeited unpaid delinquent taxes, interest, penalties, and fees are paid ~~on or before the March 31 immediately succeeding the entry of a judgment foreclosing the property under section 78k, or in a contested case within 21 days of the entry of a judgment foreclosing the property under section 78k~~ **within 6 months after the entry of a judgment for possession of the property is entered under chapter 57 of the revised judicature act of 1961, 1961 PA 236, MCL 600.5701 to 600.5759**, the title to the property shall vest absolutely in the foreclosing governmental unit.

1 (h) An explanation of the person's rights of redemption and
2 notice that the rights of redemption will expire ~~on the March 31~~
3 ~~immediately succeeding the entry of a judgment foreclosing the~~
4 ~~property under section 78k, or in a contested case 21 days after~~
5 ~~the entry of a judgment foreclosing the property under section~~
6 ~~78k~~ **6 months after the entry of a judgment for possession of the**
7 **property is entered under chapter 57 of the revised judicature**
8 **act of 1961, 1961 PA 236, MCL 600.5701 to 600.5759.**

9 (8) The published notice required under subsection (5) shall
10 include all of the following:

11 (a) A legal description or parcel number of each property.

12 (b) The street address of each property, if available.

13 (c) The name of any person or entity entitled to notice under
14 this section. ~~who has not been notified under subsection (2) or~~
15 ~~(3).~~

16 (d) The date and time of the show cause hearing under
17 section 78j.

18 (e) The date and time of the hearing on the petition for
19 foreclosure under section 78k.

20 (f) A statement that unless all forfeited unpaid delinquent
21 taxes, interest, penalties, and fees are paid ~~on or before the~~
22 ~~March 31 immediately succeeding the entry of a judgment~~
23 ~~foreclosing the property under section 78k, or in a contested~~
24 ~~case within 21 days of the entry of a judgment foreclosing the~~
25 ~~property under section 78k~~ **within 6 months after the entry of a**
26 **judgment for possession of the property is entered under chapter**
27 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**

1 600.5701 to 600.5759, the title to the property shall vest
2 absolutely in the foreclosing governmental unit.

3 (g) A statement that a person with an interest in the
4 property may lose his or her interest in the property as a result
5 of the foreclosure proceeding under section 78k.

6 (9) The owner of a property interest who has been properly
7 served with a notice of the show cause hearing under section 78j
8 and the foreclosure hearing under section 78k and who failed to
9 redeem the property as provided under this act shall not assert
10 any of the following:

11 (a) That notice was insufficient or inadequate on the grounds
12 that some other owner of a property interest was not also
13 served.

14 (b) That the redemption period provided under this act was
15 extended in any way on the grounds that some other owner of a
16 property interest was not also served.

17 (10) The failure of the foreclosing governmental unit to
18 comply with any provision of this section shall not invalidate
19 any proceeding under this act if the owner of a property interest
20 or a person to whom a tax deed was issued is accorded the minimum
21 due process required under the state constitution of 1963 and the
22 constitution of the United States.

23 (11) As used in this section, "authorized representative"
24 includes all of the following:

25 (a) A title insurance company or agent licensed to conduct
26 business in this state.

27 (b) An attorney licensed to practice law in this state.

1 (c) A person accredited in land title search procedures by a
2 nationally recognized organization in the field of land title
3 searching.

4 (d) A person with demonstrated experience searching land
5 title records, as determined by the foreclosing governmental
6 unit.

7 (12) The provisions of this section relating to notice of the
8 show cause hearing under section 78j and the foreclosure hearing
9 under section 78k are exclusive and exhaustive. Other
10 requirements relating to notice or proof of service under other
11 law, rule, or legal requirement are not applicable to notice and
12 proof of service under this section.

13 Sec. 78k. (1) If a petition for foreclosure is filed under
14 section 78h, not later than the date of the hearing, the
15 foreclosing governmental unit shall file with the clerk of the
16 circuit court proof of service of the notice of the show cause
17 hearing under section 78j, proof of service of the notice of the
18 foreclosure hearing under this section, and proof of the personal
19 visit to the property and publication under section 78i. **Proof**
20 **of the personal visit to the property shall include a sworn**
21 **statement attesting to the personal visit and a photograph**
22 **depicting each notice placed on the property.**

23 (2) A person claiming an interest in a parcel of property set
24 forth in the petition for foreclosure may contest the validity or
25 correctness of the forfeited unpaid delinquent taxes, interest,
26 penalties, and fees for 1 or more of the following reasons:

27 (a) No law authorizes the tax.

1 (b) The person appointed to decide whether a tax shall be
2 levied under a law of this state acted without jurisdiction, or
3 did not impose the tax in question.

4 (c) The property was exempt from the tax in question, or the
5 tax was not legally levied.

6 (d) The tax has been paid within the time limited by law for
7 payment or redemption.

8 (e) The tax was assessed fraudulently.

9 (f) The description of the property used in the assessment
10 was so indefinite or erroneous that the forfeiture was void.

11 (3) A person claiming an interest in a parcel of property set
12 forth in the petition for foreclosure who desires to contest that
13 petition shall file written objections with the clerk of the
14 circuit court and serve those objections on the foreclosing
15 governmental unit prior to the date of the hearing required under
16 this section.

17 (4) If the court determines that the owner of property
18 subject to foreclosure is a minor heir, is incompetent, is
19 without means of support, or is undergoing a substantial
20 financial hardship, the court may withhold that property from
21 foreclosure for 1 year or may enter an order extending the
22 redemption period as the court determines to be equitable. If
23 the court withholds property from foreclosure under this
24 subsection, a taxing unit's lien for taxes due is not prejudiced
25 and that property shall be included in the immediately succeeding
26 year's tax foreclosure proceeding.

27 (5) The circuit court shall enter final judgment on a

1 petition for foreclosure filed under section 78h at any time
2 after the hearing under this section but not later than the March
3 30 immediately succeeding the hearing with the judgment effective
4 ~~on the March 31 immediately succeeding the hearing for~~
5 ~~uncontested cases or 10 days after the conclusion of the hearing~~
6 ~~for contested cases~~ **6 months after the entry of a judgment for**
7 **possession of the property is entered under chapter 57 of the**
8 **revised judicature act of 1961, 1961 PA 236, MCL 600.5701 to**
9 **600.5759.** All redemption rights to the property expire ~~on the~~
10 ~~March 31 immediately succeeding the entry of a judgment~~
11 ~~foreclosing the property under this section, or in a contested~~
12 ~~case 21 days after the entry of a judgment foreclosing the~~
13 ~~property under this section~~ **6 months after the entry of a**
14 **judgment for possession of the property is entered under chapter**
15 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
16 **600.5701 to 600.5759.** The circuit court's judgment shall specify
17 all of the following:

18 (a) The legal description and, if known, the street address
19 of the property foreclosed and the forfeited unpaid delinquent
20 taxes, interest, penalties, and fees due on each parcel of
21 property.

22 (b) That fee simple title to property foreclosed by the
23 judgment will vest absolutely in the foreclosing governmental
24 unit, except as otherwise provided in subdivisions (c) and (e),
25 without any further rights of redemption, if all forfeited
26 delinquent taxes, interest, penalties, and fees are not paid ~~on~~
27 ~~or before the March 31 immediately succeeding the entry of a~~

~~1 judgment foreclosing the property under this section, or in a~~
~~2 contested case within 21 days of the entry of a judgment~~
~~3 foreclosing the property under this section~~ **within 6 months**
4 after the entry of a judgment for possession of the property is
5 entered under chapter 57 of the revised judicature act of 1961,
6 1961 PA 236, MCL 600.5701 to 600.5759.

7 (c) That all liens against the property, including any lien
8 for unpaid taxes or special assessments, except future
9 installments of special assessments and liens recorded by this
10 state or the foreclosing governmental unit pursuant to the
11 natural resources and environmental protection act, 1994 PA 451,
12 MCL 324.101 to 324.90106, are extinguished, if all forfeited
13 delinquent taxes, interest, penalties, and fees are not paid ~~on~~
~~14 or before the March 31 immediately succeeding the entry of a~~
~~15 judgment foreclosing the property under this section, or in a~~
~~16 contested case within 21 days of the entry of a judgment~~
~~17 foreclosing the property under this section~~ **within 6 months**
18 after the entry of a judgment for possession of the property is
19 entered under chapter 57 of the revised judicature act of 1961,
20 1961 PA 236, MCL 600.5701 to 600.5759.

21 (d) That, except as otherwise provided in subdivisions (c)
22 and (e), the foreclosing governmental unit has good and
23 marketable fee simple title to the property, if all forfeited
24 delinquent taxes, interest, penalties, and fees are not paid ~~on~~
~~25 or before the March 31 immediately succeeding the entry of a~~
~~26 judgment foreclosing the property under this section, or in a~~
~~27 contested case within 21 days of the entry of a judgment~~

1 ~~foreclosing the property under this section~~ **within 6 months**
2 **after the entry of a judgment for possession of the property is**
3 **entered under chapter 57 of the revised judicature act of 1961,**
4 **1961 PA 236, MCL 600.5701 to 600.5759.**

5 (e) That all existing recorded and unrecorded interests in
6 that property are extinguished, except a visible or recorded
7 easement or right-of-way, private deed restrictions, or
8 restrictions or other governmental interests imposed pursuant to
9 the natural resources and environmental protection act, 1994
10 PA 451, MCL 324.101 to 324.90106, if all forfeited delinquent
11 taxes, interest, penalties, and fees are not paid ~~on or before~~
12 ~~the March 31 immediately succeeding the entry of a judgment~~
13 ~~foreclosing the property under this section, or in a contested~~
14 ~~case within 21 days of the entry of a judgment foreclosing the~~
15 ~~property under this section~~ **within 6 months after the entry of a**
16 **judgment for possession of the property is entered under chapter**
17 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
18 **600.5701 to 600.5759.**

19 (f) A finding that all persons entitled to notice and an
20 opportunity to be heard have been provided that notice and
21 opportunity. A person shall be deemed to have been provided
22 notice and an opportunity to be heard if the foreclosing
23 governmental unit followed the procedures for provision of notice
24 by mail, for visits to forfeited property, and for publication
25 under section 78i, or if 1 or more of the following apply:

26 (i) The person had constructive notice of the hearing under
27 this section by acquiring an interest in the property after the

1 date the notice of forfeiture is recorded under section 78g.

2 (ii) The person appeared at the hearing under this section or
3 filed written objections with the clerk of the circuit court
4 under subsection (3) prior to the hearing.

5 (iii) Prior to the hearing under this section, the person had
6 actual notice of the hearing.

7 (g) A judgment entered under this section is a final order
8 with respect to the property affected by the judgment and except
9 as provided in subsection (7) shall not be modified, stayed, or
10 held invalid ~~after the March 31 immediately succeeding the entry~~
11 ~~of a judgment foreclosing the property under this section, or for~~
12 ~~contested cases 21 days after the entry of a judgment foreclosing~~
13 ~~the property under this section~~ **6 months after the entry of a**
14 **judgment for possession of the property is entered under chapter**
15 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
16 **600.5701 to 600.5759.**

17 (6) Except as otherwise provided in subsection (5)(c) and
18 (e), fee simple title to property set forth in a petition for
19 foreclosure filed under section 78h on which forfeited delinquent
20 taxes, interest, penalties, and fees are not paid ~~on or before~~
21 ~~the March 31 immediately succeeding the entry of a judgment~~
22 ~~foreclosing the property under this section, or in a contested~~
23 ~~case within 21 days of the entry of a judgment foreclosing the~~
24 ~~property under this section~~ **within 6 months after the entry of a**
25 **judgment for possession of the property is entered under chapter**
26 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
27 **600.5701 to 600.5759, shall vest absolutely in the foreclosing**

1 governmental unit, and the foreclosing governmental unit shall
2 have absolute title to the property. The foreclosing
3 governmental unit's title is not subject to any recorded or
4 unrecorded lien and shall not be stayed or held invalid except as
5 provided in subsection (7) or (9).

6 (7) The foreclosing governmental unit or a person claiming to
7 have a property interest under section 78i in property foreclosed
8 under this section may appeal the circuit court's order or the
9 circuit court's judgment foreclosing property to the court of
10 appeals. An appeal under this subsection is limited to the
11 record of the proceedings in the circuit court under this section
12 and shall not be de novo. The circuit court's judgment
13 foreclosing property shall be stayed until the court of appeals
14 has reversed, modified, or affirmed that judgment. If an appeal
15 under this subsection stays the circuit court's judgment
16 foreclosing property, the circuit court's judgment is stayed only
17 as to the property that is the subject of that appeal and the
18 circuit court's judgment foreclosing other property that is not
19 the subject of that appeal is not stayed. To appeal the circuit
20 court's judgment foreclosing property, a person appealing the
21 judgment shall pay to the county treasurer the amount determined
22 to be due to the county treasurer under the judgment ~~on or~~
23 ~~before the March 31 immediately succeeding the entry of a~~
24 ~~judgment foreclosing the property under this section, or in a~~
25 ~~contested case within 21 days of the entry of a judgment~~
26 ~~foreclosing the property under this section,~~ together with a
27 notice of appeal. If the circuit court's judgment foreclosing

1 the property is affirmed on appeal, the amount determined to be
2 due shall be refunded to the person who appealed the judgment.
3 If the circuit court's judgment foreclosing the property is
4 reversed or modified on appeal, the county treasurer shall refund
5 the amount determined to be due to the person who appealed the
6 judgment, if any, and retain the balance in accordance with the
7 order of the court of appeals.

8 (8) The foreclosing governmental unit shall record a notice
9 of judgment for each parcel of foreclosed property in the office
10 of the register of deeds for the county in which the foreclosed
11 property is located in a form prescribed by the department of
12 treasury.

13 (9) After the entry of a judgment foreclosing the property
14 under this section, if the property has not been transferred
15 under section 78m to a person other than the foreclosing
16 governmental unit, a foreclosing governmental unit may cancel the
17 foreclosure by recording with the register of deeds for the
18 county in which the property is located a certificate of error in
19 a form prescribed by the department of treasury, if the
20 foreclosing governmental unit discovers any of the following:

21 (a) The foreclosed property was not subject to taxation on
22 the date of the assessment of the unpaid taxes for which the
23 property was foreclosed.

24 (b) The description of the property used in the assessment of
25 the unpaid taxes for which the property was foreclosed was so
26 indefinite or erroneous that the forfeiture of the property was
27 void.

1 (c) The taxes for which the property was foreclosed had been
2 paid to the proper officer within the time provided under this
3 act for the payment of the taxes or the redemption of the
4 property.

5 (d) A certificate, including a certificate issued under
6 section 135, or other written verification authorized by law was
7 issued by the proper officer within the time provided under this
8 act for the payment of the taxes for which the property was
9 foreclosed or for the redemption of the property.

10 (e) An owner of an interest in the property entitled to
11 notice under section 78i was not provided notice sufficient to
12 satisfy the minimum requirements of due process required under
13 the state constitution of 1963 and the constitution of the United
14 States.

15 (f) A judgment of foreclosure was entered under this section
16 in violation of an order issued by a United States bankruptcy
17 court.

18 (10) A certificate of error submitted to the county register
19 of deeds for recording under subsection (9) need not be notarized
20 and may be authenticated by a digital signature of the
21 foreclosing governmental unit or by other electronic means.

22 Sec. 78l. (1) ~~If~~ **At any time after** a judgment for
23 foreclosure is entered under section 78k and all existing
24 recorded and unrecorded interests in a parcel of property are
25 extinguished as provided in section 78k, **if** the owner of any
26 extinguished recorded or unrecorded interest in that property
27 ~~who~~ claims that he or she did not receive any notice required

1 under this act, ~~shall not~~ the court shall vacate the judgment
2 of foreclosure entered under section 78k, the owner may bring an
3 action for possession of the property against any subsequent
4 owner, ~~but may only bring an action to recover monetary damages~~
5 ~~as provided in this section~~ and the owner shall have an
6 additional 6 months to pay all forfeited unpaid delinquent taxes,
7 interest, penalties, and fees due on the property.

8 (2) ~~The court of claims has original and exclusive~~
9 ~~jurisdiction in any action to recover monetary damages under this~~
10 ~~section.~~ An owner of property subject to a judgment of
11 foreclosure under section 78k shall have not less than 6 months
12 to pay all forfeited unpaid delinquent taxes, interest,
13 penalties, and fees due on the property after a judgment for
14 possession of the property is entered under chapter 57 of the
15 revised judicature act of 1961, 1961 PA 236, MCL 600.5701 to
16 600.5759. Absolute title to the property shall not vest in the
17 foreclosing governmental unit until 6 months after the entry of a
18 judgment for possession of the property is entered under chapter
19 57 of the revised judicature act of 1961, 1961 PA 236, MCL
20 600.5701 to 600.5759. A judgment for possession of the property
21 entered under chapter 57 of the revised judicature act of 1961,
22 1961 PA 236, MCL 600.5701 to 600.5759, is stayed for not less
23 than 6 months after the entry of a judgment for possession is
24 entered.

25 ~~(3) An action to recover monetary damages under this section~~
26 ~~shall not be brought more than 2 years after a judgment for~~
27 ~~foreclosure is entered under section 78k.~~

1 ~~—— (4) Any monetary damages recoverable under this section shall~~
 2 ~~be determined as of the date a judgment for foreclosure is~~
 3 ~~entered under section 78k and shall not exceed the fair market~~
 4 ~~value of the interest in the property held by the person bringing~~
 5 ~~the action under this section on that date, less any taxes,~~
 6 ~~interest, penalties, and fees owed on the property as of that~~
 7 ~~date.~~

8 ~~—— (5) The right to sue for monetary damages under this section~~
 9 ~~is not transferable except by testate or intestate succession.~~

10 Sec. 78m. (1) ~~Not later than the first Tuesday in July,~~
 11 ~~immediately succeeding the entry of judgment under section 78k~~
 12 ~~vesting absolute title to tax delinquent property in the~~
 13 ~~foreclosing governmental unit~~ **Six months after the entry of a**
 14 **judgment for possession of the property is entered under chapter**
 15 **57 of the revised judicature act of 1961, 1961 PA 236, MCL**
 16 **600.5701 to 600.5759, and if all forfeited unpaid delinquent**
 17 **taxes, interest, penalties, and fees due on the property have not**
 18 **been paid,** this state is granted the right of first refusal to
 19 purchase property at the greater of the minimum bid or its fair
 20 market value by paying that amount to the foreclosing
 21 governmental unit if the foreclosing governmental unit is not
 22 this state. If this state elects not to purchase the property
 23 under its right of first refusal, a city, village, or township
 24 may purchase for a public purpose any property located within
 25 that city, village, or township set forth in the judgment and
 26 subject to sale under this section by payment to the foreclosing
 27 governmental unit of the minimum bid. If a city, village, or

1 township does not purchase that property, the county in which
2 that property is located may purchase that property under this
3 section by payment to the foreclosing governmental unit of the
4 minimum bid. If property is purchased by a city, village,
5 township, or county under this subsection, the foreclosing
6 governmental unit shall convey the property to the purchasing
7 city, village, township, or county within 30 days. If property
8 purchased by a city, village, township, or county under this
9 subsection is subsequently sold for an amount in excess of the
10 minimum bid and all costs incurred relating to demolition,
11 renovation, improvements, or infrastructure development, the
12 excess amount shall be returned to the delinquent tax property
13 sales proceeds account for the year in which the property was
14 purchased by the city, village, township, or county or, if this
15 state is the foreclosing governmental unit within a county, to
16 the land reutilization fund created under section 78n. Upon the
17 request of the foreclosing governmental unit, a city, village,
18 township, or county that purchased property under this subsection
19 shall provide to the foreclosing governmental unit without cost
20 information regarding any subsequent sale or transfer of the
21 property. This subsection applies to the purchase of property by
22 this state, a city, village, or township, or a county prior to a
23 sale held under subsection (2).

24 (2) Subject to subsection (1), ~~beginning on the third~~
25 ~~Tuesday in July immediately succeeding the entry of the judgment~~
26 ~~under section 78k vesting absolute title to tax delinquent~~
27 ~~property in the foreclosing governmental unit and ending on the~~

1 ~~immediately succeeding first Tuesday in November,~~ the
2 foreclosing governmental unit, or its authorized agent, at the
3 option of the foreclosing governmental unit, shall hold at least
4 2 property sales at 1 or more convenient locations at which
5 property foreclosed by the judgment entered under section 78k
6 shall be sold by auction sale, which may include an auction sale
7 conducted via an internet website. Notice of the time and
8 location of the sales shall be published not less than 30 days
9 before each sale in a newspaper published and circulated in the
10 county in which the property is located, if there is one. If no
11 newspaper is published in that county, publication shall be made
12 in a newspaper published and circulated in an adjoining county.
13 ~~Each sale shall be completed before the first Tuesday in~~
14 ~~November immediately succeeding the entry of judgment under~~
15 ~~section 78k vesting absolute title to the tax delinquent property~~
16 ~~in the foreclosing governmental unit.~~ Except as provided in
17 subsection (5), property shall be sold to the person bidding the
18 highest amount above the minimum bid. The foreclosing
19 governmental unit may sell parcels individually or may offer 2 or
20 more parcels for sale as a group. The minimum bid for a group of
21 parcels shall equal the sum of the minimum bid for each parcel
22 included in the group. The foreclosing governmental unit may
23 adopt procedures governing the conduct of the sale and may cancel
24 the sale prior to the issuance of a deed under this subsection if
25 authorized under the procedures. The foreclosing governmental
26 unit may require full payment by cash, certified check, or money
27 order at the close of each day's bidding. Not more than 30 days

1 after the date of a sale under this subsection, the foreclosing
2 governmental unit shall convey the property by deed to the person
3 bidding the highest amount above the minimum bid. The deed shall
4 vest fee simple title to the property in the person bidding the
5 highest amount above the minimum bid, unless the foreclosing
6 governmental unit discovers a defect in the foreclosure of the
7 property under sections 78 to 78/. If this state is the
8 foreclosing governmental unit within a county, the department of
9 natural resources shall conduct the sale of property under this
10 subsection and subsections (4) and (5) on behalf of this state.

11 (3) For sales held under subsection (2), after the conclusion
12 of that sale, and prior to any additional sale held under
13 subsection (2), a city, village, or township may purchase any
14 property not previously sold under subsection (1) or (2) by
15 paying the minimum bid to the foreclosing governmental unit. If
16 a city, village, or township does not purchase that property, the
17 county in which that property is located may purchase that
18 property under this section by payment to the foreclosing
19 governmental unit of the minimum bid.

20 (4) If property is purchased by a city, village, township, or
21 county under subsection (3), the foreclosing governmental unit
22 shall convey the property to the purchasing city, village, or
23 township within 30 days.

24 (5) All property subject to sale under subsection (2) shall
25 be offered for sale at not less than 2 sales conducted as
26 required by subsection (2). The final sale held under subsection
27 (2) shall be held not less than 28 days after the previous sale

1 under subsection (2). At the final sale held under subsection
 2 (2), the sale is subject to the requirements of subsection (2),
 3 except that the minimum bid shall not be required. However, the
 4 foreclosing governmental unit may establish a reasonable opening
 5 bid at the sale to recover the cost of the sale of the parcel or
 6 parcels.

7 (6) ~~On or before December 1 immediately~~ **Immediately**
 8 succeeding the date of the sale under subsection (5), a list of
 9 all property not previously sold by the foreclosing governmental
 10 unit under this section shall be transferred to the clerk of the
 11 city, village, or township in which the property is located. The
 12 city, village, or township may object in writing to the transfer
 13 of 1 or more parcels of property set forth on that list. ~~On or~~
 14 ~~before December 30 immediately succeeding the date of the sale~~
 15 ~~under subsection (5), all~~ **All** property not previously sold by
 16 the foreclosing governmental unit under this section shall be
 17 transferred to the city, village, or township in which the
 18 property is located, except those parcels of property to which
 19 the city, village, or township has objected. Property located in
 20 both a village and a township may be transferred under this
 21 subsection only to a village. The city, village, or township may
 22 make the property available under the urban homestead act, 1999
 23 PA 127, MCL 125.2701 to 125.2709, or for any other lawful
 24 purpose.

25 (7) If property not previously sold is not transferred to the
 26 city, village, or township in which the property is located under
 27 subsection (6), the foreclosing governmental unit shall retain

1 possession of that property. If the foreclosing governmental
2 unit retains possession of the property and the foreclosing
3 governmental unit is this state, title to the property shall vest
4 in the land bank fast track authority created under section 15 of
5 the land bank fast track act.

6 (8) A foreclosing governmental unit shall deposit the
7 proceeds from the sale of property under this section into a
8 restricted account designated as the "delinquent tax property
9 sales proceeds for the year ____". The foreclosing
10 governmental unit shall direct the investment of the account.
11 The foreclosing governmental unit shall credit to the account
12 interest and earnings from account investments. Proceeds in that
13 account shall only be used by the foreclosing governmental unit
14 for the following purposes in the following order of priority:

15 (a) The delinquent tax revolving fund shall be reimbursed for
16 all taxes, interest, and fees on all of the property, whether or
17 not all of the property was sold.

18 (b) All costs of the sale of property for the year shall be
19 paid.

20 (c) Any costs of the foreclosure proceedings for the year,
21 including, but not limited to, costs of mailing, publication,
22 personal service, and outside contractors shall be paid.

23 (d) Any costs for the sale of property or foreclosure
24 proceedings for any prior year that have not been paid or
25 reimbursed from that prior year's delinquent tax property sales
26 proceeds shall be paid.

27 (e) Any costs incurred by the foreclosing governmental unit

1 in maintaining property foreclosed under section 78k before the
2 sale under this section shall be paid, including costs of any
3 environmental remediation.

4 (f) If the foreclosing governmental unit is not this state,
5 any of the following:

6 (i) Any costs for the sale of property or foreclosure
7 proceedings for any subsequent year that are not paid or
8 reimbursed from that subsequent year's delinquent tax property
9 sales proceeds shall be paid from any remaining balance in any
10 prior year's delinquent tax property sales proceeds account.

11 (ii) Any costs for the defense of title actions.

12 (iii) Any costs incurred in administering the foreclosure and
13 disposition of property forfeited for delinquent taxes under this
14 act.

15 (g) If the foreclosing governmental unit is this state, any
16 remaining balance shall be transferred to the land reutilization
17 fund created under section 78n.

18 (9) Two or more county treasurers of adjacent counties may
19 elect to hold a joint sale of property as provided in this
20 section. If 2 or more county treasurers elect to hold a joint
21 sale, property may be sold under this section at a location
22 outside of the county in which the property is located. The sale
23 may be conducted by any county treasurer participating in the
24 joint sale. A joint sale held under this subsection may include
25 or be an auction sale conducted via an internet website.

26 (10) The foreclosing governmental unit shall record a deed
27 for any property transferred under this section with the county

1 register of deeds. The foreclosing governmental unit may charge
2 a fee in excess of the minimum bid and any sale proceeds for the
3 cost of recording a deed under this subsection.

4 (11) As used in this section, "minimum bid" is the minimum
5 amount established by the foreclosing governmental unit for which
6 property may be sold under this section. The minimum bid shall
7 include all of the following:

8 (a) All delinquent taxes, interest, penalties, and fees due
9 on the property. If a city, village, or township purchases the
10 property, the minimum bid shall not include any taxes levied by
11 that city, village, or township and any interest, penalties, or
12 fees due on those taxes.

13 (b) The expenses of administering the sale, including all
14 preparations for the sale. The foreclosing governmental unit
15 shall estimate the cost of preparing for and administering the
16 annual sale for purposes of prorating the cost for each property
17 included in the sale.

18 (12) For property transferred to this state under subsection
19 (1), a city, village, or township under subsection (6) or
20 retained by a foreclosing governmental unit under subsection (7),
21 all taxes due on the property as of the December 31 following the
22 transfer or retention of the property are canceled effective on
23 that December 31.

24 (13) For property sold under this section, transferred to
25 this state under subsection (1), a city, village, or township
26 under subsection (6), or retained by a foreclosing governmental
27 unit under subsection (7), all liens for costs of demolition,

1 safety repairs, debris removal, or sewer or water charges due on
2 the property as of the December 31 immediately succeeding the
3 sale, transfer, or retention of the property are canceled
4 effective on that December 31. This subsection does not apply to
5 liens recorded by the department of environmental quality under
6 this act or the land bank fast track authority act.

7 (14) If property foreclosed under section 78k and held by or
8 under the control of a foreclosing governmental unit is a
9 facility as defined under section 20101(1)(o) of the natural
10 resources and environmental protection act, 1994 PA 451, MCL
11 324.20101, prior to the sale or transfer of the property under
12 this section, the property is subject to all of the following:

13 (a) Upon reasonable written notice from the department of
14 environmental quality, the foreclosing governmental unit shall
15 provide access to the department of environmental quality, its
16 employees, contractors, and any other person expressly authorized
17 by the department of environmental quality to conduct response
18 activities at the foreclosed property. Reasonable written notice
19 under this subdivision may include, but is not limited to, notice
20 by electronic mail or facsimile, if the foreclosing governmental
21 unit consents to notice by electronic mail or facsimile prior to
22 the provision of notice by the department of environmental
23 quality.

24 (b) If requested by the department of environmental quality
25 to protect public health, safety, and welfare or the environment,
26 the foreclosing governmental unit shall grant an easement for
27 access to conduct response activities on the foreclosed property

1 as authorized under chapter 7 of the natural resources and
2 environmental protection act, 1994 PA 451, MCL 324.20101 to
3 324.20302.

4 (c) If requested by the department of environmental quality
5 to protect public health, safety, and welfare or the environment,
6 the foreclosing governmental unit shall place and record deed
7 restrictions on the foreclosed property as authorized under
8 chapter 7 of the natural resources and environmental protection
9 act, 1994 PA 451, MCL 324.20101 to 324.20302.

10 (d) The department of environmental quality may place an
11 environmental lien on the foreclosed property as authorized under
12 section 20138 of the natural resources and environmental
13 protection act, 1994 PA 451, MCL 324.20138.

14 (15) If property foreclosed under section 78k and held by or
15 under the control of a foreclosing governmental unit is a
16 facility as defined under section 20101(1)(o) of the natural
17 resources and environmental protection act, 1994 PA 451, MCL
18 324.20101, prior to the sale or transfer of the property under
19 this section, the department of environmental quality shall
20 request and the foreclosing governmental unit shall transfer the
21 property to the state land bank fast track authority created
22 under section 15 of the land bank fast track act, **2003 PA 258,**
23 **MCL 124.765,** if all of the following apply:

24 (a) The department of environmental quality determines that
25 conditions at a foreclosed property are an acute threat to the
26 public health, safety, and welfare, to the environment, or to
27 other property.

1 (b) The department of environmental quality proposes to
2 undertake or is undertaking state-funded response activities at
3 the property.

4 (c) The department of environmental quality determines that
5 the sale, retention, or transfer of the property other than under
6 this subsection would interfere with response activities by the
7 department of environmental quality.