

# HOUSE BILL No. 5263

August 19, 2009, Introduced by Reps. Jackson, Byrnes, Johnson, Stanley, Switalski, Leland, Bettie Scott, Robert Jones, Liss, Durhal, Polidori, Segal, Haugh, Coulouris, Melton, Geiss, Dean, Meadows, Tlaib, Lipton and Nathan and referred to the Committee on Urban Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 78h (MCL 211.78h), as amended by 2001 PA 96.

## 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 the  
3       clerk of the circuit court of that county listing all property  
4       forfeited and not redeemed to the county treasurer under section  
5       78g to be foreclosed under section 78k for the total of the  
6       forfeited unpaid delinquent taxes, interest, penalties, and fees.  
7       If available to the foreclosing governmental unit, the petition  
8       shall include the street address of each parcel of property set  
9       forth in the petition. The petition shall seek a judgment in favor  
10      of the foreclosing governmental unit for the forfeited unpaid

1 delinquent taxes, interest, penalties, and fees listed against each  
2 parcel of property. The petition shall request that a judgment be  
3 entered vesting absolute title to each parcel of property in the  
4 foreclosing governmental unit, without right of redemption.

5 (2) If property is redeemed after the petition for foreclosure  
6 is filed under this section, the foreclosing governmental unit  
7 shall request that the circuit court remove that property from the  
8 petition for foreclosure before entry of judgment foreclosing the  
9 property under section 78k.

10 (3) The foreclosing governmental unit may withhold the  
11 following property from the petition for foreclosure filed under  
12 this section:

13 (a) Property the title to which is held by minor heirs or  
14 persons who are incompetent, persons without means of support, or  
15 persons unable to manage their affairs due to age or infirmity,  
16 until a guardian is appointed to protect that person's rights and  
17 interests.

18 (b) Property the title to which is held by a person undergoing  
19 substantial financial hardship, as determined under a written  
20 policy developed and adopted by the foreclosing governmental unit.  
21 The foreclosing governmental unit shall make available to the  
22 public the written policy adopted under this subdivision. The  
23 written policy adopted under this subdivision shall include, but is  
24 not limited to, all of the following:

25 (i) The person requesting that the property be withheld from  
26 the petition for foreclosure holds the title to the property.

27 (ii) The household income of the person requesting that the

1 property be withheld from the petition for foreclosure ~~meets~~ **IS**  
2 **200% OR LESS OF** the federal poverty ~~income standards as defined and~~  
3 ~~determined annually by the United States office of management and~~  
4 ~~budget~~ **GUIDELINES PUBLISHED ANNUALLY IN THE FEDERAL REGISTER BY THE**  
5 **UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES UNDER ITS**  
6 **AUTHORITY TO REVISE THE POVERTY LINE UNDER 42 USC 9902, or**  
7 alternative guidelines adopted by the foreclosing governmental  
8 unit, provided that the alternative guidelines include all persons  
9 ~~who would otherwise meet~~ **WITH HOUSEHOLD INCOME THAT IS 200% OR LESS**  
10 **OF** the federal poverty ~~income standards~~ **GUIDELINES** under this  
11 subparagraph. As used in this subparagraph, "household income"  
12 means that term as defined in section 508 of the income tax act of  
13 1967, 1967 PA 281, MCL 206.508.

14 **(C) PROPERTY WITHHELD FROM A PETITION FOR FORECLOSURE UNDER**  
15 **THIS SUBSECTION MAY BE WITHHELD FROM 1 OR MORE SUBSEQUENT PETITIONS**  
16 **FOR FORECLOSURE.**

17 (4) If a foreclosing governmental unit withholds property from  
18 the petition for foreclosure under subsection (3), a taxing unit's  
19 lien for taxes due or the foreclosing governmental unit's right to  
20 include the property in a subsequent petition for foreclosure is  
21 not prejudiced.

22 (5) The clerk of the circuit court in which the petition is  
23 filed shall immediately set the date, time, and place for a hearing  
24 on the petition for foreclosure, which hearing shall be held not  
25 more than 30 days before the March 1 immediately succeeding the  
26 date the petition for foreclosure is filed.