HOUSE SUBSTITUTE FOR SENATE BILL NO. 192

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961,"

by amending sections 871 and 877 (MCL 600.871 and 600.877), section 871 as amended by 2005 PA 326.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 871. (1) In all decedents' estates in which proceedings
- 2 are instituted for probate, the probate court shall charge and
- 3 collect the following fees as an expense of administration on the
- 4 value of all assets, as of the date of death of the decedent, as
- 5 follows:
- 6 (a) In an estate of value of less than \$1,000.00, \$5.00 plus
- 7 1% of the amount over \$500.00.
- 8 (b) In an estate of value of \$1,000.00 or more, but less than
- **9** \$3,000.00, \$25.00.

- 1 (c) In an estate of value of \$3,000.00 or more but less than
- 2 \$10,000.00, \$25.00 plus 5/8 of 1% of the amount over \$3,000.00.
- 3 (d) In an estate of value of \$10,000.00 or more but less than
- 4 \$25,000.00, \$68.75 plus 1/2 of 1% of the amount over \$10,000.00.
- 5 (e) In an estate of value of \$25,000.00 but less than
- 6 \$50,000.00, \$143.75 plus 3/8 of 1% of the amount over \$25,000.00.
- 7 (f) In an estate of value of \$50,000.00 but less than
- 8 \$100,000.00, \$237.50 plus 1/4 of 1% of the amount over \$50,000.00.
- 9 (g) In an estate of value of \$100,000.00 to \$500,000.00,
- 10 \$362.50 plus 1/8 of 1% of the amount over \$100,000.00.
- 11 (h) For each additional \$100,000.00 value, or larger fraction
- 12 thereof, over \$500,000.00, \$62.50.
- (i) For each additional \$100,000.00 value, or larger fraction
- 14 thereof, over \$1,000,000.00, \$31.25.
- 15 (2) UNTIL DECEMBER 31, 2017, IN CALCULATING A FEE UNDER
- 16 SUBSECTION (1), IF REAL PROPERTY THAT IS INCLUDED IN THE ESTATE IS
- 17 ENCUMBERED BY OR USED AS SECURITY FOR AN INDEBTEDNESS, THE AMOUNT
- 18 OF THE INDEBTEDNESS SHALL BE DEDUCTED FROM THE VALUE OF THE REAL
- 19 PROPERTY.
- 20 (3) $\frac{(2)}{(2)}$ The fees in subsection (1), rounded to the whole
- 21 dollar, shall be ARE due and payable to the probate court before
- 22 the filing of the final account ON OR BEFORE THE CLOSING OF THE
- 23 ESTATE or within 1 year after the commencement of probate
- 24 proceedings, whichever occurs first. A final accounting shall not
- 25 be accepted by the probate court until the fees are paid in full
- 26 and shown as part of the final accounting. An official receipt
- 27 shall be issued to the payer when the fees are collected.

- 1 (4) BY MARCH 31, 2015 AND EACH MARCH 31 UNTIL MARCH 31 2018,
- 2 THE PROBATE COURT SHALL DO ALL OF THE FOLLOWING:
- 3 (A) CALCULATE THE VALUE OF ALL ASSETS IN EACH ESTATE IN THE
- 4 IMMEDIATELY PRECEDING CALENDAR YEAR.
- 5 (B) IF REAL PROPERTY THAT IS INCLUDED IN THE ESTATE IS
- 6 ENCUMBERED BY OR USED AS SECURITY FOR AN INDEBTEDNESS, SUBTRACT
- 7 FROM THE RESULT OF THE CALCULATION IN SUBDIVISION (A) THE TOTAL
- 8 AMOUNT OF THE INDEBTEDNESS.
- 9 (C) CALCULATE THE TOTAL AMOUNT OF ALL FEES COLLECTED UNDER
- 10 SUBSECTION (1) IN THE IMMEDIATELY PRECEDING CALENDAR YEAR.
- 11 (D) SUBMIT TO THE STATE COURT ADMINISTRATIVE OFFICE THE
- 12 RESULTS UNDER SUBDIVISIONS (A), (B), AND (C).
- Sec. 877. All fees received by the probate court during each
- 14 month pursuant to UNDER sections 871 to 874 shall be paid on or
- 15 before the tenth day of the succeeding month as follows:
- 16 (a) Two-fifths UNTIL DECEMBER 31, 2017, 47.5% of each fee
- 17 shall be paid to the county treasurer and credited to the county
- 18 general fund. BEGINNING JANUARY 1, 2018, 40% OF EACH FEE SHALL BE
- 19 PAID TO THE COUNTY TREASURER AND CREDITED TO THE COUNTY GENERAL
- 20 FUND.
- 21 (b) Three-fifths-UNTIL DECEMBER 31, 2017, 52.5% of each fee
- 22 shall be paid to the state treasurer and credited to the state
- 23 general fund. BEGINNING JANUARY 1, 2018, 60% OF EACH FEE SHALL BE
- 24 PAID TO THE STATE TREASURER AND CREDITED TO THE STATE GENERAL FUND.