

# SENATE BILL No. 972

February 16, 2012, Introduced by Senator HILDENBRAND and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 44 (MCL 211.44), as amended by 2011 PA 126.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 44. (1) Upon receipt of the tax roll, the township  
2 treasurer or other collector shall proceed to collect the taxes.  
3 The township treasurer or other collector shall mail to each  
4 taxpayer at the taxpayer's last known address on the tax roll or to  
5 the taxpayer's designated agent a statement showing the description  
6 of the property against which the tax is levied, the taxable value  
7 of the property, ~~and~~ the amount of the tax on the property, **AND**  
8 **NOTICE OF ANY UNPAID TAXES RETURNED AS DELINQUENT ON THE PROPERTY**  
9 **TOGETHER WITH CONTACT INFORMATION FOR MORE INFORMATION REGARDING**  
10 **THOSE UNPAID TAXES.** If a tax statement is mailed to the taxpayer, a

1 tax statement sent to a taxpayer's designated agent may be in a  
2 summary form or may be in an electronic data processing format. If  
3 the tax statement information is provided to both a taxpayer and  
4 the taxpayer's designated agent, the tax statement mailed to the  
5 taxpayer may be identified as an informational copy. A township  
6 treasurer or other collector electing to send a tax statement to a  
7 taxpayer's designated agent or electing not to include an  
8 itemization in the manner described in subsection (10)(d) in a tax  
9 statement mailed to the taxpayer shall, upon request, mail a  
10 detailed copy of the tax statement, including an itemization of the  
11 amount of tax in the manner described by subsection (10)(d), to the  
12 taxpayer without charge.

13 (2) The expense of preparing and mailing the statement shall  
14 be paid from the county, township, city, or village funds. Failure  
15 to send or receive the notice does not prejudice the right to  
16 collect or enforce the payment of the tax. The township treasurer  
17 shall remain in the office of the township treasurer at some  
18 convenient place in the township from 9 a.m. to 5 p.m. to receive  
19 taxes on the following days:

20 (a) At least 1 business day between December 25 and December  
21 31 unless the township has an arrangement with a local financial  
22 institution to receive taxes on behalf of the township treasurer  
23 and to forward that payment to the township on the next business  
24 day. The township shall provide timely notification of which  
25 financial institutions will receive taxes for the township and  
26 which days the treasurer will be in the office to receive taxes.

27 (b) The last day that taxes are due and payable before being

1 returned as delinquent under section 78a(2).

2 (c) For the collection of a summer tax levy, the last day  
3 taxes are due and payable before interest is added under section  
4 44a(5).

5 (3) Except as provided by subsection (7), on a sum voluntarily  
6 paid before February 15 of the succeeding year, the local property  
7 tax collecting unit shall add a property tax administration fee of  
8 not more than 1% of the total tax bill per parcel. However, unless  
9 otherwise provided for by an agreement between the assessing unit  
10 and the collecting unit, if a local property tax collecting unit  
11 other than a village does not also serve as the local assessing  
12 unit, the excess of the amount of property tax administration fees  
13 over the expense to the local property tax collecting unit in  
14 collecting the taxes, but not less than 80% of the fee imposed,  
15 shall be returned to the local assessing unit. A property tax  
16 administration fee is defined as a fee to offset costs incurred by  
17 a collecting unit in assessing property values, in collecting the  
18 property tax levies, and in the review and appeal processes. The  
19 costs of any appeals, in excess of funds available from the  
20 property tax administration fee, may be shared by any taxing unit  
21 only if approved by the governing body of the taxing unit. Except  
22 as provided by subsection (7), on all taxes paid after February 14  
23 and before taxes are returned as delinquent under section 78a(2)  
24 the governing body of a city or township may authorize the  
25 treasurer to add to the tax a property tax administration fee to  
26 the extent imposed on taxes paid before February 15 and the day  
27 that taxes are returned as delinquent under section 78a(2) a late

1 penalty charge equal to 3% of the tax. The governing body of a city  
2 or township may waive interest from February 15 to the last day of  
3 February on a summer property tax that has been deferred under  
4 section 51 or any late penalty charge for the homestead property of  
5 a senior citizen, paraplegic, quadriplegic, hemiplegic, eligible  
6 serviceperson, eligible veteran, eligible widow or widower, totally  
7 and permanently disabled person, or blind person, as those persons  
8 are defined in chapter 9 of the income tax act of 1967, 1967 PA  
9 281, MCL 206.501 to 206.532, if the person makes a claim before  
10 February 15 for a credit for that property provided by chapter 9 of  
11 the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if  
12 the person presents a copy of the form filed for that credit to the  
13 local treasurer, and if the person has not received the credit  
14 before February 15. The governing body of a city or township may  
15 waive interest from February 15 to the day taxes are returned as  
16 delinquent under section 78a(2) on a summer property tax deferred  
17 under section 51 or any late penalty charge for a person's property  
18 that is subject to a farmland development rights agreement recorded  
19 with the register of deeds of the county in which the property is  
20 situated as provided in section 36104 of the natural resources and  
21 environmental protection act, 1994 PA 451, MCL 324.36104, if the  
22 person presents a copy of the development rights agreement or  
23 verification that the property is subject to a development rights  
24 agreement before February 15. A 4% county property tax  
25 administration fee, a property tax administration fee to the extent  
26 imposed on and if authorized under subsection (7) for taxes paid  
27 before taxes are returned as delinquent under section 78a(2), and

1 interest on the tax at the rate of 1% per month shall be added to  
2 taxes collected by the township or city treasurer after the last  
3 day taxes are payable before being returned as delinquent under  
4 section 78a(2) and before settlement with the county treasurer, and  
5 the payment shall be treated as though collected by the county  
6 treasurer. If the statements required to be mailed by this section  
7 are not mailed before December 31, the treasurer shall not impose a  
8 late penalty charge on taxes collected after February 14.

9 (4) The governing body of a local property tax collecting unit  
10 may waive all or part of the property tax administration fee or the  
11 late penalty charge, or both. A property tax administration fee  
12 collected by the township treasurer shall be used only for the  
13 purposes for which it may be collected as specified by subsection  
14 (3) and this subsection. If the bond of the treasurer, as provided  
15 in section 43, is furnished by a surety company, the cost of the  
16 bond may be paid by the township from the property tax  
17 administration fee.

18 (5) If apprehensive of the loss of personal tax assessed upon  
19 the roll, the township treasurer may enforce collection of the tax  
20 at any time, and if compelled to seize property or bring an action  
21 in December may add, if authorized under subsection (7), a property  
22 tax administration fee of not more than 1% of the total tax bill  
23 per parcel and 3% for a late penalty charge.

24 (6) Along with taxes returned delinquent to a county  
25 treasurer, the amount of the property tax administration fee  
26 prescribed by subsection (3) that is imposed and not paid shall be  
27 included in the return of delinquent taxes and, when delinquent

1 taxes are distributed by the county treasurer under this act, the  
2 delinquent property tax administration fee shall be distributed to  
3 the treasurer of the local unit who transmitted the statement of  
4 taxes returned as delinquent. Interest imposed upon delinquent  
5 property taxes under this act shall also be imposed upon the  
6 property tax administration fee and, for purposes of this act other  
7 than for the purpose of determining to which local unit the county  
8 treasurer shall distribute a delinquent property tax administration  
9 fee, any reference to delinquent taxes shall be considered to  
10 include the property tax administration fee returned as delinquent  
11 for the same property.

12 (7) The local property tax collecting treasurer shall not  
13 impose a property tax administration fee, collection fee, or any  
14 type of late penalty charge authorized by law or charter unless the  
15 governing body of the local property tax collecting unit approves,  
16 by resolution or ordinance adopted after December 31, 1982, an  
17 authorization for the imposition of a property tax administration  
18 fee, collection fee, or any type of late penalty charge provided  
19 for by this section or by charter, which authorization shall be  
20 valid for all levies that become a lien after the resolution or  
21 ordinance is adopted. However, unless otherwise provided for by an  
22 agreement between the assessing unit and the collecting unit, a  
23 local property tax collecting unit that does not also serve as the  
24 assessing unit shall impose a property tax administration fee on  
25 each parcel at a rate equal to the rate of the fee imposed for city  
26 or township taxes on that parcel.

27 (8) The annual statement required by 1966 PA 125, MCL 565.161

1 to 565.164, or a monthly billing form or mortgagor passbook  
2 provided instead of that annual statement shall include a statement  
3 to the effect that a taxpayer who was not mailed the tax statement  
4 or a copy of the tax statement by the township treasurer or other  
5 collector shall receive, upon request and without charge, a copy of  
6 the tax statement from the township treasurer or other collector  
7 or, if the tax statement has been mailed to the taxpayer's  
8 designated agent, from either the taxpayer's designated agent or  
9 the township treasurer or other collector. A designated agent who  
10 is subject to 1966 PA 125, MCL 565.161 to 565.164, and who has been  
11 mailed the tax statement for taxes that became a lien in the  
12 calendar year immediately preceding the year in which the annual  
13 statement may be required to be furnished shall mail, upon request  
14 and without charge to a taxpayer who was not mailed that tax  
15 statement or a copy of that tax statement, a copy of that tax  
16 statement.

17 (9) For taxes levied after December 31, 2001, if taxes levied  
18 on qualified real property remain unpaid on February 15, all of the  
19 following shall apply:

20 (a) The unpaid taxes on that qualified real property shall be  
21 collected in the same manner as unpaid taxes levied on personal  
22 property are collected under this act.

23 (b) Unpaid taxes on qualified real property shall not be  
24 returned as delinquent to the county treasurer for forfeiture,  
25 foreclosure, and sale under sections 78 to 79a.

26 (c) If a county treasurer discovers that unpaid taxes on  
27 qualified real property have been returned as delinquent for

1 forfeiture, foreclosure, and sale under sections 78 to 79a, the  
2 county treasurer shall return those unpaid taxes to the appropriate  
3 local tax collection unit for collection as provided in subdivision  
4 (a).

5 (10) As used in this section:

6 (a) "Designated agent" means an individual, partnership,  
7 association, corporation, receiver, estate, trust, or other legal  
8 entity that has entered into an escrow account agreement or other  
9 agreement with the taxpayer that obligates that individual or legal  
10 entity to pay the property taxes for the taxpayer or, if an  
11 agreement has not been entered into, that was designated by the  
12 taxpayer on a form made available to the taxpayer by the township  
13 treasurer and filed with that treasurer. The designation by the  
14 taxpayer shall remain in effect until revoked by the taxpayer in a  
15 writing filed with the township treasurer. The form made available  
16 by the township treasurer shall include a statement that submission  
17 of the form allows the treasurer to mail the tax statement to the  
18 designated agent instead of to the taxpayer and a statement  
19 notifying the taxpayer of his or her right to revoke the  
20 designation by a writing filed with the township treasurer.

21 (b) "Qualified real property" means buildings and improvements  
22 located upon leased real property that are assessed as real  
23 property under section 2(1)(c), except buildings and improvements  
24 exempt under section 9f, if the value of the buildings or  
25 improvements is not otherwise included in the assessment of the  
26 real property.

27 (c) "Taxpayer" means the owner of the property on which the

1 tax is imposed.

2 (d) When describing in subsection (1) that the amount of tax  
3 on the property must be shown in the tax statement, "amount of tax"  
4 means an itemization by dollar amount of each of the several ad  
5 valorem property taxes and special assessments that a person may  
6 pay under section 53 and an itemization by millage rate, on either  
7 the tax statement or a separate form accompanying the tax  
8 statement, of each of the several ad valorem property taxes that a  
9 person may pay under section 53. The township treasurer or other  
10 collector may replace the itemization described in this subdivision  
11 with a statement informing the taxpayer that the itemization of the  
12 dollar amount and millage rate of the taxes is available without  
13 charge from the local property tax collecting unit.