

Legislative Analysis



REVISE NOTICE REQUIREMENTS FOR DELINQUENT PROPERTY TAXES

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House Bill 4298

Sponsor: Rep. Jon Bumstead

Committee: Local Government

Complete to 4-17-13

A SUMMARY OF HOUSE BILL 4298 AS INTRODUCED 2-21-13

House Bill 4298 would amend the General Property Tax Act (MCL211.78f and 211.78i) to allow the notices of delinquent property taxes to be posted on a website maintained by the county treasurer and also to be published in a "notice publication," including newspapers and other print media. A more detailed description follows.

Currently the law requires that delinquent property tax notices be mailed (first class) to the property owner, and also published in a local newspaper so the public can learn what properties are subject to forfeiture for non-payment of taxes.

House Bill 4298 would retain the requirement that property owners be notified by first class mail when their property taxes are in arrears. However, the bill would allow county officials to post notices on a website, including but not limited to a website maintained by the county treasurer, and to insert additional notices (via either published notice or separate insert) in a "notice publication" circulated in the county in which the property is located.

Under the bill, the term "notice publication" is defined to mean *"a print publication for the dissemination of news or other information, including, but not limited to, a newspaper or legal newspaper, to which all of the following apply: (i) The print publication is published and distributed in not less than weekly intervals; (ii) Not less than 25 percent of the words in the print publication are in the English language; (iii) The print publication has a bona fide list of subscribers in 1 or more counties in this state or is available to the public at newsstands or other retail locations in 1 or more counties in this state, or both; (iv) The print publication accepts and publishes official and other notices; (v) The print publication regularly contains information of a public character or of interest or value to residents, property owners, or the general public; (vi) The print publication has been published or distributed for not less than 1 year."*

Further, now under the law, the officials of a governmental unit who are foreclosing a property must notify the property owner. If they are unable to ascertain the owner's address, then notice must be made by publication, and be published for three consecutive weeks. House Bill 4298 would require notice for two weeks (instead of three), and also allow a notice to be inserted, once each week, in a "notice publication" circulated in the county where the property is located. The foreclosing governmental unit could also post

the notice for at least 14 days on a website (either its own, or another). Under the bill, if a notice were not circulated in the county in which the property is located, the foreclosing governmental unit would be required to insert the notice in a "notice publication" circulated in an adjoining county, or to post the notice for at least 14 days on its website, or both.

FISCAL IMPACT:

As written, the bill would have no impact on state revenues or expenditures. To the extent that posting notices of delinquent properties on a web site maintained by the county treasurer is more cost effective than current options, local government expenditures could possibly decline by an unknown, but likely small, amount.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.