

# HOUSE BILL No. 4634

May 23, 2017, Introduced by Reps. Phelps, Neeley and Love and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 78a (MCL 211.78a), as amended by 2014 PA 499.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 78a. (1) For taxes levied after December 31, 1998, all  
2 property returned for delinquent taxes, and upon which taxes,  
3 interest, penalties, and fees remain unpaid after the property is  
4 returned as delinquent to the county treasurers of this state under  
5 this act, is subject to forfeiture, foreclosure, and sale for the  
6 enforcement and collection of the delinquent taxes as provided in  
7 section 78, this section, and sections 78b to 79a. As used in  
8 section 78, this section, and sections 78b to 79a, "taxes" includes  
9 interest, penalties, and fees imposed before the taxes become  
10 delinquent and unpaid special assessments or other assessments that

1 are due and payable up to and including the date of the foreclosure  
2 hearing under section 78k.

3 (2) On March ~~1~~4 in each year, taxes levied in the immediately  
4 preceding year that remain unpaid shall be returned as delinquent  
5 for collection. However, if the last day in a year that taxes are  
6 due and payable before being returned as delinquent is on a  
7 Saturday, Sunday, or legal holiday, the last day taxes are due and  
8 payable before being returned as delinquent is on the next business  
9 day and taxes levied in the immediately preceding year that remain  
10 unpaid shall be returned as delinquent on the immediately  
11 succeeding business day. **IF UNPAID TAXES RETURNED AS DELINQUENT**  
12 **REMAIN UNPAID AFTER MARCH 31 OF THE SAME YEAR THAT THEY WERE**  
13 **RETURNED AS DELINQUENT, THOSE TAXES SHALL, FOR PURPOSES OF SECTION**  
14 **78, THIS SECTION, AND SECTIONS 78B TO 79A, BE TREATED AS HAVING**  
15 **BEEN RETURNED AS DELINQUENT ON MARCH 1 OF THAT YEAR.** Except as  
16 otherwise provided in section 79 for certified abandoned property,  
17 property delinquent for taxes levied in the second year preceding  
18 the forfeiture under section 78g or in a prior year to which this  
19 section applies shall be forfeited to the county treasurer for the  
20 total of the unpaid taxes, interest, penalties, and fees for those  
21 years as provided under section 78g.

22 (3) A county property tax administration fee of 4% and, except  
23 as provided in section 78g(3)(c), interest computed at a  
24 noncompounded rate of 1% per month or fraction of a month on the  
25 taxes that were originally returned as delinquent, computed from  
26 the date that the taxes originally became delinquent, shall be  
27 added to property returned as delinquent under this section. A

1 county property tax administration fee provided for under this  
2 subsection shall not be less than \$1.00.

3 (4) Any person with an unrecorded property interest or any  
4 other person who wishes at any time to receive notice of the return  
5 of delinquent taxes on a parcel of property may pay an annual fee  
6 not to exceed \$5.00 by February 1 to the county treasurer and  
7 specify the parcel identification number, the address of the  
8 property, and the address to which the notice shall be sent.

9 Holders of any undischarged mortgages wishing to receive notice of  
10 the return of delinquent taxes on a parcel or parcels of property  
11 may provide a list of such parcels in a form prescribed by the  
12 county treasurer and pay an annual fee not to exceed \$1.00 per  
13 parcel to the county treasurer and specify for each parcel the  
14 parcel identification number, the address of the property, and the  
15 address to which the notice should be sent. The county treasurer  
16 shall notify the person or holders of undischarged mortgages if  
17 delinquent taxes on the property or properties are returned within  
18 that year.

19 (5) Notwithstanding any charter provision to the contrary, the  
20 governing body of a local governmental unit that collects  
21 delinquent taxes may establish for any property, by ordinance,  
22 procedures for the collection of delinquent taxes and the  
23 enforcement of tax liens and the schedule for the forfeiture or  
24 foreclosure of delinquent tax liens. The procedures and schedule  
25 established by ordinance shall conform at a minimum to those  
26 procedures and schedules established under sections 78a to 78l,  
27 except that those taxes subject to a payment plan approved by the

1 treasurer of the local governmental unit as of July 1, 1999 shall  
2 not be considered delinquent if payments are not delinquent under  
3 that payment plan.