

Legislative Analysis



TAX PAYMENT CERTIFICATION PRIOR TO LAND DIVISION

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4055 as introduced
Sponsor: Rep. Bradley Slagh
Committee: Local Government and Municipal Finance
Complete to 2-19-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4055 would amend the Land Division Act to add the tax payment certification of a parcel of land as a condition for approval of any proposed division of the land.

Section 109 of the act currently requires that a local or county official who has authority to approve or disapprove a proposed division of land must approve a complete application for division if certain conditions are met, such as those concerning the size, shape, or accessibility of the resulting parcels.

The bill would add the condition that all property taxes due on a soon-to-be-divided tract of land for the preceding five years be paid, as established by a certificate from the treasurer of the county in which the parcel is located. If the date of the application were on or after March 1 of that year and before the treasurer of the local tax collecting unit has made his or her return of current delinquent taxes, then the county treasurer would have to include on his or her certificate a notation that the return of current delinquent taxes was not available for examination. The official with authority over the application for land division would be prohibited from disapproving any application due to the presence of such a notation on a certificate. The county treasurer would collect a certification fee of at least \$5 for carrying out the examination process.

The bill would take effect 90 days after being enacted into law.

MCL 560.109

FISCAL IMPACT:

To the extent that there are outstanding property taxes over the five preceding years on a parcel designated to be divided into smaller parcels, there would presumably be an increase in state and local property tax revenue, since it would be necessary to remove the obligation before the parcel could be divided. Because the parcels to which the bill would apply cannot be identified, the impact on property tax revenue cannot be determined.

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