



Senate Fiscal Agency
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Senate Bill 725 (Substitute S-1 as reported)
Senate Bill 726 (Substitute S-1 as reported)
Sponsor: Senator Jim Runestad
Committee: Finance

CONTENT

Senate Bill 725 (S-1) would amend the General Property Tax Act to revise and expand the information that must be included in notices that are sent to individuals regarding delinquent property taxes.

Senate Bill 726 (S-1) would amend the General Property Tax Act to do the following:

- Allow a foreclosing governmental unit to withhold from a foreclosure petition property on which a payment was made for taxes levied after the levy of taxes for which the property was subject to foreclosure, if the amount paid were equal to or greater than the amount necessary at the time of the payment to redeem the property.
- Allow a foreclosing governmental unit to cancel a foreclosure by recording with the appropriate register of deeds a certificate of error if the foreclosing governmental unit discovered that a payment was made for taxes levied on the property after the levy of taxes for which the property was foreclosed and the amount paid was equal to or greater than the amount necessary at the time of the payment to redeem the property.

MCL 211.78b et al. (S.B. 725)
211.78h & 211.78k (S.B. 726)

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

Senate Bill 725 (S-1) would have no fiscal impact on the State and would have a minimal negative fiscal impact on local government. The bill would require additional disclosures to be included in notices that already are required to be sent. Any additional costs for county treasurers to add the required disclosures to the notices would be covered by existing appropriations.

Senate Bill 726 (S-1) would have no fiscal impact on the State and would have an unknown but likely minimal fiscal impact on local property tax revenue. The impact would depend on the frequency with which a foreclosing governmental unit cancelled a foreclosure under the bill's provisions, and the amount of repayment received compared to the possible proceeds of a foreclosure sale.

Date Completed: 3-2-20

Fiscal Analyst: Ryan Bergan