

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2020**

Introduced by Rep. Lower

ENROLLED HOUSE BILL No. 5810

AN ACT to amend 1893 PA 206, entitled “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,” (MCL 211.1 to 211.155) by adding section 44f.

The People of the State of Michigan enact:

Sec. 44f. (1) There is created in the department of treasury a summer 2020 property tax advance payment program, to be administered by the department, under which each county in this state shall provide eligible taxing authorities that have levied summer 2020 property taxes on property located in the county with advance payment of those summer 2020 property taxes that are due and payable on property for which the collection of those taxes has been deferred under section 44e. All of the following apply to this program:

(a) To be eligible for receipt of an advance payment, a taxing authority must levy a summer 2020 property tax on property located in a local tax collecting unit that submits an application for that payment to the county's treasurer in a form and manner prescribed by the department of treasury by not later than September 11, 2020. The application must be accompanied by copies of all deferment-application statements and affidavits properly submitted to the local tax collecting unit pursuant to section 44e(2)(b) and the associated summer 2020 property tax bills for those applications.

(b) Based on applications properly submitted to the county treasurer under subdivision (a), the county shall do 1 of the following:

(i) Arrange for the financing of the payment described in subdivision (d) from any source available to the county, including, but not limited to, a delinquent tax revolving fund established by the county under this act for payment of summer 2020 property taxes returned as delinquent under section 78a.

(ii) By not later than September 18, 2020, submit to the department of treasury an application for short-term state financing described in subdivision (c) for the payment described in subdivision (d). The application must be submitted in a form and manner prescribed by the department of treasury and must include, in addition to any other information the department considers necessary, information sufficient to determine, by parcel identification number, each parcel of property in the county for which advance payment of deferred summer 2020 property taxes is sought, the total amount of the payments sought for each parcel, an itemization of that total amount into individual amounts to be paid to each eligible taxing authority, and the total amount sought for all parcels in the county.

(c) For those counties proceeding under subdivision (b)(ii), by not later than November 13, 2020, the department of treasury shall provide short-term state financing for advance payments to be made by each county to eligible taxing authorities that levied summer 2020 property taxes on property in the county, to the extent those payments are supported by documentation required under subdivisions (a) and (b). Funds necessary to support the short-term state financing under this subdivision may be obtained from any appropriate source, including, but not limited to, notes or bonds issued by the Michigan finance authority created by Executive Reorganization Order No. 2010-2, MCL 12.194.

(d) Whether a county proceeds under subdivision (b)(i) or (ii), the county shall, by not later than December 1, 2020, make advance payments to eligible taxing authorities that levied summer 2020 property taxes on property located in the county for the full amount of those summer 2020 property taxes that were properly deferred under section 44e.

(e) The short-term state financing described in subdivision (c) is an interest-free loan provided to a county that proceeds under subdivision (b)(ii). The county shall repay this state the full amount of the loan from any source available to the county, including, but not limited to, a delinquent tax revolving fund established by the county under this act for payment of summer 2020 property taxes returned as delinquent under section 78a, by not later than the earlier of the following dates:

(i) The date that section 87b(3) would have required payment of delinquent summer 2020 property taxes from the county's delinquent tax revolving fund to the various taxing authorities had there been no advance payment of those taxes to those taxing authorities pursuant to the advance payment program under this section.

(ii) June 1, 2021.

(2) If a local tax collecting unit subsequently receives payment of summer 2020 property taxes for which an advance payment was provided under subsection (1)(d), the local tax collecting unit shall transmit that payment to the county.

(3) A county's advance payment of deferred summer 2020 property taxes under subsection (1)(d) is not made on behalf of the property's owner and those taxes remain due and payable from the property's owner, and unless those taxes have been paid by or on behalf of the property's owner by not later than the last day that summer 2020 property taxes are due and payable before being returned as delinquent to the county treasurer under section 78a, the local tax collecting unit in which the property is located shall return those taxes as delinquent to the county treasurer under section 78a and the property will be subject to forfeiture, foreclosure, and sale for the enforcement and collection of those delinquent taxes as provided in sections 78 to 79a. Upon the return of those delinquent taxes, the primary obligation to pay to the county the amount of those delinquent taxes and any interest due on those delinquent taxes rests with the local taxing authorities and this state for the state education tax under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, as provided in section 87b, and if those delinquent taxes are not received by the county on behalf of the local taxing authorities and this state for any reason, the county has full right of recourse against the local taxing authorities or this state for the state education tax under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, to recover the amount of the delinquent taxes and any interest due on those delinquent taxes, as also provided in section 87b.

(4) As used in this section:

(a) "Eligible taxing authority" means any state or local governmental entity that is authorized to levy a summer 2020 property tax collected under this act by a local tax collecting unit that meets both of the following:

(i) Has deferred the collection of those summer 2020 property taxes based on deferment-application statements and affidavits properly filed under section 44e(2)(b).

(ii) Has properly submitted the application described in subsection (1)(a).

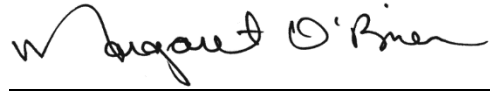
(b) "Summer 2020 property tax" means that term as defined in section 44e.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 5761 of the 100th Legislature is enacted into law.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor