

HOUSE BILL NO. 4050

January 16, 2019, Introduced by Rep. Inman and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 27a (MCL 211.27a), as amended by 2016 PA 375.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 27a. (1) Except as otherwise provided in this section,
2 property shall be assessed at 50% of its true cash value under
3 section 3 of article IX of the state constitution of 1963.

4 (2) Except as otherwise provided in subsection (3), for taxes
5 levied in 1995 and for each year after 1995, the taxable value of

1 each parcel of property is the lesser of the following:

2 (a) The property's taxable value in the immediately preceding
3 year minus any losses, multiplied by the lesser of 1.05 or the
4 inflation rate, plus all additions. For taxes levied in 1995, the
5 property's taxable value in the immediately preceding year is the
6 property's state equalized valuation in 1994.

7 (b) The property's current state equalized valuation.

8 (3) Upon a transfer of ownership of property after 1994, the
9 property's taxable value for the calendar year following the year
10 of the transfer is the property's state equalized valuation for the
11 calendar year following the transfer.

12 (4) If the taxable value of property is adjusted under
13 subsection (3), a subsequent increase in the property's taxable
14 value is subject to the limitation set forth in subsection (2)
15 until a subsequent transfer of ownership occurs. If the taxable
16 value of property is adjusted under subsection (3) and the assessor
17 determines that there had not been a transfer of ownership, the
18 taxable value of the property shall be adjusted at the July or
19 December board of review. Notwithstanding the limitation provided
20 in section 53b(1) on the number of years for which a correction may
21 be made, the July or December board of review may adjust the
22 taxable value of property under this subsection for the current
23 year and for the 3 immediately preceding calendar years. A
24 corrected tax bill shall be issued for each tax year for which the
25 taxable value is adjusted by the local tax collecting unit if the
26 local tax collecting unit has possession of the tax roll or by the
27 county treasurer if the county has possession of the tax roll. For
28 purposes of section 53b, an adjustment under this subsection shall
29 be considered the correction of a clerical error.

(5) Assessment of property, as required in this section and section 27, is inapplicable to the assessment of property subject to the levy of ad valorem taxes within voted tax limitation increases to pay principal and interest on limited tax bonds issued by any governmental unit, including a county, township, community college district, or school district, before January 1, 1964, if the assessment required to be made under this act would be less than the assessment as state equalized prevailing on the property at the time of the issuance of the bonds. This inapplicability continues until levy of taxes to pay principal and interest on the bonds is no longer required. The assessment of property required by this act applies for all other purposes.

(6) As used in this act, "transfer of ownership" means the conveyance of title to or a present interest in property, including the beneficial use of the property, the value of which is substantially equal to the value of the fee interest. Transfer of ownership of property includes, but is not limited to, the following:

(a) A conveyance by deed.

(b) A conveyance by land contract. The taxable value of property conveyed by a land contract executed after December 31, 1994 shall be adjusted under subsection (3) for the calendar year following the year in which the contract is entered into and shall not be subsequently adjusted under subsection (3) when the deed conveying title to the property is recorded in the office of the register of deeds in the county in which the property is located.

(c) A conveyance to a trust after December 31, 1994, except under any of the following conditions:

(i) If the settlor or the settlor's spouse, or both, conveys

1 the property to the trust and the sole present beneficiary or
2 beneficiaries are the settlor or the settlor's spouse, or both.

3 (ii) Beginning December 31, 2014, for residential real
4 property, if the settlor or the settlor's spouse, or both, conveys
5 the residential real property to the trust and the sole present
6 beneficiary or beneficiaries are the settlor's or the settlor's
7 spouse's mother, father, brother, sister, son, daughter, adopted
8 son, adopted daughter, grandson, or granddaughter and the
9 residential real property is not used for any commercial purpose
10 following the conveyance. Upon request by the department of
11 treasury or the assessor, the sole present beneficiary or
12 beneficiaries shall furnish proof within 30 days that the sole
13 present beneficiary or beneficiaries meet the requirements of this
14 subparagraph. If a present beneficiary fails to comply with a
15 request by the department of treasury or assessor under this
16 subparagraph, that present beneficiary is subject to a fine of
17 \$200.00.

18 (d) A conveyance by distribution from a trust, except under
19 any of the following conditions:

20 (i) If the distributee is the sole present beneficiary or the
21 spouse of the sole present beneficiary, or both.

22 (ii) Beginning December 31, 2014, a distribution of residential
23 real property if the distributee is the settlor's or the settlor's
24 spouse's mother, father, brother, sister, son, daughter, adopted
25 son, adopted daughter, grandson, or granddaughter and the
26 residential real property is not used for any commercial purpose
27 following the conveyance. Upon request by the department of
28 treasury or the assessor, the sole present beneficiary or
29 beneficiaries shall furnish proof within 30 days that the sole

1 present beneficiary or beneficiaries meet the requirements of this
2 subparagraph. If a present beneficiary fails to comply with a
3 request by the department of treasury or assessor under this
4 subparagraph, that present beneficiary is subject to a fine of
5 \$200.00.

6 (e) A change in the sole present beneficiary or beneficiaries
7 of a trust, except under any of the following conditions:

8 (i) A change that adds or substitutes the spouse of the sole
9 present beneficiary.

10 (ii) Beginning December 31, 2014, for residential real
11 property, a change that adds or substitutes the settlor's or the
12 settlor's spouse's mother, father, brother, sister, son, daughter,
13 adopted son, adopted daughter, grandson, or granddaughter and the
14 residential real property is not used for any commercial purpose
15 following the conveyance. Upon request by the department of
16 treasury or the assessor, the sole present beneficiary or
17 beneficiaries shall furnish proof within 30 days that the sole
18 present beneficiary or beneficiaries meet the requirements of this
19 subparagraph. If a present beneficiary fails to comply with a
20 request by the department of treasury or assessor under this
21 subparagraph, that present beneficiary is subject to a fine of
22 \$200.00.

23 (f) A conveyance by distribution under a will or by intestate
24 succession, except under any of the following conditions:

25 (i) If the distributee is the decedent's spouse.

26 (ii) Beginning December 31, 2014, for residential real
27 property, if the distributee is the decedent's or the decedent's
28 spouse's mother, father, brother, sister, son, daughter, adopted
29 son, adopted daughter, grandson, or granddaughter and the

1 residential real property is not used for any commercial purpose
2 following the conveyance. Upon request by the department of
3 treasury or the assessor, the sole present beneficiary or
4 beneficiaries shall furnish proof within 30 days that the sole
5 present beneficiary or beneficiaries meet the requirements of this
6 subparagraph. If a present beneficiary fails to comply with a
7 request by the department of treasury or assessor under this
8 subparagraph, that present beneficiary is subject to a fine of
9 \$200.00.

10 (g) A conveyance by lease if the total duration of the lease,
11 including the initial term and all options for renewal, is more
12 than 35 years or the lease grants the lessee a bargain purchase
13 option. As used in this subdivision, "bargain purchase option"
14 means the right to purchase the property at the termination of the
15 lease for not more than 80% of the property's projected true cash
16 value at the termination of the lease. After December 31, 1994, the
17 taxable value of property conveyed by a lease with a total duration
18 of more than 35 years or with a bargain purchase option shall be
19 adjusted under subsection (3) for the calendar year following the
20 year in which the lease is entered into. This subdivision does not
21 apply to personal property except buildings described in section
22 14(6) and personal property described in section 8(h), (i), and
23 (j). This subdivision does not apply to that portion of the
24 property not subject to the leasehold interest conveyed.

25 (h) Except as otherwise provided in this subdivision, a
26 conveyance of an ownership interest in a corporation, partnership,
27 sole proprietorship, limited liability company, limited liability
28 partnership, or other legal entity if the ownership interest
29 conveyed is more than 50% of the corporation, partnership, sole

1 proprietorship, limited liability company, limited liability
2 partnership, or other legal entity. Unless notification is provided
3 under subsection (10), the corporation, partnership, sole
4 proprietorship, limited liability company, limited liability
5 partnership, or other legal entity shall notify the assessing
6 officer on a form provided by the state tax commission not more
7 than 45 days after a conveyance of an ownership interest that
8 constitutes a transfer of ownership under this subdivision. Both of
9 the following apply to a corporation subject to 1897 PA 230, MCL
10 455.1 to 455.24:

11 (i) A transfer of stock of the corporation is a transfer of
12 ownership only with respect to the real property that is assessed
13 to the transferor lessee stockholder.

14 (ii) A cumulative conveyance of more than 50% of the
15 corporation's stock does not constitute a transfer of ownership of
16 the corporation's real property.

17 (i) A transfer of property held as a tenancy in common, except
18 that portion of the property not subject to the ownership interest
19 conveyed.

20 (j) A conveyance of an ownership interest in a cooperative
21 housing corporation, except that portion of the property not
22 subject to the ownership interest conveyed.

23 (k) Notwithstanding the provisions of section 7ee(5), at the
24 request of a property owner, an assessor's establishment of a
25 separate tax parcel for a portion of a parcel that ceases to be
26 qualified agricultural property but is not subject to a land
27 division under the land division act, 1967 PA 288, MCL 560.101 to
28 560.293, or any local ordinance. For purposes of this subdivision,
29 a transfer of ownership occurs only as to that portion of the

1 parcel established as a separate tax parcel and only that portion
 2 shall have its taxable value adjusted under subsection (3) and
 3 shall be subject to the recapture tax provided for under the
 4 agricultural property recapture act, 2000 PA 261, MCL 211.1001 to
 5 211.1007. The adjustment under subsection (3) shall be made as of
 6 the December 31 in the year that the portion of the parcel
 7 established as a separate tax parcel ceases to be qualified
 8 agricultural property. A portion of a parcel subject to this
 9 subdivision is considered a separate tax parcel only for those
 10 purposes described in this subdivision.

11 (7) Transfer of ownership does not include the following:

12 (a) The transfer of property from 1 spouse to the other spouse
 13 or from a decedent to a surviving spouse.

14 (b) A transfer from ~~a husband, a wife, or a married couple~~ **1**
 15 **or both spouses** creating or disjoining a tenancy by the entireties
 16 in the grantors or the grantor and his or her spouse.

17 (c) Subject to subdivision (d), a transfer of that portion of
 18 property subject to a life estate or life lease retained by the
 19 transferor, until expiration or termination of the life estate or
 20 life lease. That portion of property transferred that is not
 21 subject to a life lease shall be adjusted under subsection (3).

22 (d) Beginning December 31, 2014, a transfer of that portion of
 23 residential real property that had been subject to a life estate or
 24 life lease retained by the transferor resulting from expiration or
 25 termination of that life estate or life lease, if the transferee is
 26 the transferor's or transferor's spouse's mother, father, brother,
 27 sister, son, daughter, adopted son, adopted daughter, grandson, or
 28 granddaughter and the residential real property is not used for any
 29 commercial purpose following the transfer. Upon request by the

1 department of treasury or the assessor, the transferee shall
2 furnish proof within 30 days that the transferee meets the
3 requirements of this subdivision. If a transferee fails to comply
4 with a request by the department of treasury or assessor under this
5 subdivision, that transferee is subject to a fine of \$200.00.

6 (e) A transfer through foreclosure or forfeiture of a recorded
7 instrument under chapter 31, 32, or 57 of the revised judicature
8 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701
9 to 600.5759, or through deed or conveyance in lieu of a foreclosure
10 or forfeiture, until the mortgagee or land contract vendor
11 subsequently transfers the property. If a mortgagee does not
12 transfer the property within 1 year of the expiration of any
13 applicable redemption period, the property shall be adjusted under
14 subsection (3).

15 (f) A transfer by redemption by the person to whom taxes are
16 assessed of property previously sold for delinquent taxes.

17 (g) A conveyance to a trust if the settlor or the settlor's
18 spouse, or both, conveys the property to the trust and any of the
19 following conditions are satisfied:

20 (i) If the sole present beneficiary of the trust is the settlor
21 or the settlor's spouse, or both.

22 (ii) Beginning December 31, 2014, for residential real
23 property, if the sole present beneficiary of the trust is the
24 settlor's or the settlor's spouse's mother, father, brother,
25 sister, son, daughter, adopted son, adopted daughter, grandson, or
26 granddaughter and the residential real property is not used for any
27 commercial purpose following the conveyance. Upon request by the
28 department of treasury or the assessor, the sole present
29 beneficiary or beneficiaries shall furnish proof within 30 days

1 that the sole present beneficiary or beneficiaries meet the
2 requirements of this subparagraph. If a present beneficiary fails
3 to comply with a request by the department of treasury or assessor
4 under this subparagraph, that present beneficiary is subject to a
5 fine of \$200.00.

6 (h) A transfer pursuant to a judgment or order of a court of
7 record making or ordering a transfer, unless a specific monetary
8 consideration is specified or ordered by the court for the
9 transfer.

10 (i) A transfer creating or terminating a joint tenancy between
11 2 or more persons if at least 1 of the persons was an original
12 owner of the property before the joint tenancy was initially
13 created and, if the property is held as a joint tenancy at the time
14 of conveyance, at least 1 of the persons was a joint tenant when
15 the joint tenancy was initially created and that person has
16 remained a joint tenant since the joint tenancy was initially
17 created. A joint owner at the time of the last transfer of
18 ownership of the property is an original owner of the property. For
19 purposes of this subdivision, a person is an original owner of
20 property owned by that person's spouse.

21 (j) A transfer for security or an assignment or discharge of a
22 security interest.

23 (k) A transfer of real property or other ownership interests
24 among members of an affiliated group. As used in this subsection,
25 "affiliated group" means 1 or more corporations connected by stock
26 ownership to a common parent corporation. Upon request by the state
27 tax commission, a corporation shall furnish proof within 45 days
28 that a transfer meets the requirements of this subdivision. A
29 corporation that fails to comply with a request by the state tax

1 commission under this subdivision is subject to a fine of \$200.00.

2 (l) Normal public trading of shares of stock or other ownership
3 interests that, over any period of time, cumulatively represent
4 more than 50% of the total ownership interest in a corporation or
5 other legal entity and are traded in multiple transactions
6 involving unrelated individuals, institutions, or other legal
7 entities.

8 (m) A transfer of real property or other ownership interests
9 among corporations, partnerships, limited liability companies,
10 limited liability partnerships, or other legal entities if the
11 entities involved are commonly controlled. Upon request by the
12 state tax commission, a corporation, partnership, limited liability
13 company, limited liability partnership, or other legal entity shall
14 furnish proof within 45 days that a transfer meets the requirements
15 of this subdivision. A corporation, partnership, limited liability
16 company, limited liability partnership, or other legal entity that
17 fails to comply with a request by the state tax commission under
18 this subdivision is subject to a fine of \$200.00.

19 (n) A direct or indirect transfer of real property or other
20 ownership interests resulting from a transaction that qualifies as
21 a tax-free reorganization under section 368 of the internal revenue
22 code, 26 USC 368. Upon request by the state tax commission, a
23 property owner shall furnish proof within 45 days that a transfer
24 meets the requirements of this subdivision. A property owner who
25 fails to comply with a request by the state tax commission under
26 this subdivision is subject to a fine of \$200.00.

27 (o) Except as provided in subsection (6)(k), a transfer of
28 qualified agricultural property, if the person to whom the
29 qualified agricultural property is transferred files an affidavit

1 with the assessor of the local tax collecting unit in which the
2 qualified agricultural property is located and with the register of
3 deeds for the county in which the qualified agricultural property
4 is located attesting that the qualified agricultural property will
5 remain qualified agricultural property. The affidavit under this
6 subdivision shall be in a form prescribed by the department of
7 treasury. An owner of qualified agricultural property shall inform
8 a prospective buyer of that qualified agricultural property that
9 the qualified agricultural property is subject to the recapture tax
10 provided in the agricultural property recapture act, 2000 PA 261,
11 MCL 211.1001 to 211.1007, if the qualified agricultural property is
12 converted by a change in use, as that term is defined in section 2
13 of the agricultural property recapture act, 2000 PA 261, MCL
14 211.1002. If property ceases to be qualified agricultural property
15 at any time after a transfer subject to this subdivision, all of
16 the following shall occur:

17 (i) The taxable value of that property, or, if subsection
18 (6)(k) applies, a portion of it established as a separate tax
19 parcel, shall be adjusted under subsection (3) as of the December
20 31 in the year that the property, or, if subsection (6)(k) applies,
21 a portion of it established as a separate tax parcel, ceases to be
22 qualified agricultural property.

23 (ii) The property, or, if subsection (6)(k) applies, a portion
24 of it established as a separate tax parcel, is subject to the
25 recapture tax provided for under the agricultural property
26 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

27 (p) A transfer of qualified forest property, if the person to
28 whom the qualified forest property is transferred files a qualified
29 forest taxable value affidavit with the assessor of the local tax

1 collecting unit in which the qualified forest property is located
2 and with the register of deeds for the county in which the
3 qualified forest property is located attesting that the qualified
4 forest property will remain qualified forest property. The
5 qualified forest taxable value affidavit under this subdivision
6 shall be in a form prescribed by the department of agriculture and
7 rural development. The qualified forest taxable value affidavit
8 shall include a legal description of the qualified forest property,
9 the name of the new property owner, the year the transfer of the
10 property occurred, a statement indicating that the property owner
11 is attesting that the property for which the exemption is claimed
12 is qualified forest property and will be managed according to the
13 approved forest management plan, and any other information
14 pertinent to the parcel and the property owner. The property owner
15 shall provide a copy of the qualified forest taxable value
16 affidavit to the department. The department shall provide 1 copy of
17 the qualified forest taxable value affidavit to the local tax
18 collecting unit, 1 copy to the conservation district, and 1 copy to
19 the department of treasury. These copies may be sent
20 electronically. The exception to the recognition of a transfer of
21 ownership, as herein stated, extends to the land only of the
22 qualified forest property. If qualified forest property is improved
23 by buildings, structures, or land improvements, then those
24 improvements shall be recognized as a transfer of ownership, in
25 accordance with the provisions of section 7jj[1]. An owner of
26 qualified forest property shall inform a prospective buyer of that
27 qualified forest property that the qualified forest property is
28 subject to the recapture tax provided in the qualified forest
29 property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036,

1 if the qualified forest property is converted by a change in use,
2 as that term is defined in section 2 of the qualified forest
3 property recapture tax act, 2006 PA 379, MCL 211.1032. If property
4 ceases to be qualified forest property at any time after being
5 transferred, all of the following shall occur:

6 (i) The taxable value of that property shall be adjusted under
7 subsection (3) as of the December 31 in the year that the property
8 ceases to be qualified forest property, except to the extent that
9 the transfer of the qualified forest property would not have been
10 considered a transfer of ownership under this subsection.

11 (ii) Except as otherwise provided in subparagraph (iii), the
12 property is subject to the recapture tax provided for under the
13 qualified forest property recapture tax act, 2006 PA 379, MCL
14 211.1031 to 211.1036.

15 (iii) Beginning June 1, 2013 and ending November 30, 2013,
16 owners of property enrolled as qualified forest property before
17 January 1, 2013 may execute a new qualified forest taxable value
18 affidavit with the department of agriculture and rural development.
19 If a landowner elects to execute a qualified forest taxable value
20 affidavit, that owner is not required to pay the \$50.00 fee
21 required under section 7jj[1](2). If a landowner elects not to
22 execute a qualified forest taxable value affidavit, the existing
23 affidavit shall be rescinded, without subjecting the property to
24 the recapture tax provided for under the qualified forest property
25 recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036, and the
26 taxable value of that property shall be adjusted under subsection
27 (3).

28 (q) Beginning on December 8, 2006, a transfer of land, but not
29 buildings or structures located on the land, which meets 1 or more

1 of the following requirements:

2 (i) The land is subject to a conservation easement under
3 subpart 11 of part 21 of the natural resources and environmental
4 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in
5 this subparagraph, "conservation easement" means that term as
6 defined in section 2140 of the natural resources and environmental
7 protection act, 1994 PA 451, MCL 324.2140.

8 (ii) A transfer of ownership of the land or a transfer of an
9 interest in the land is eligible for a deduction as a qualified
10 conservation contribution under section 170(h) of the internal
11 revenue code, 26 USC 170.

12 (r) A transfer of real property or other ownership interests
13 resulting from a consolidation or merger of a domestic nonprofit
14 corporation that is a boy or girl scout or camp fire girls
15 organization, a 4-H club or foundation, a young men's Christian
16 association, or a young women's Christian association and at least
17 50% of the members of that organization or association are
18 residents of this state.

19 (s) A change to the assessment roll or tax roll resulting from
20 the application of section 16a of 1897 PA 230, MCL 455.16a.

21 (t) Beginning December 31, 2013 through December 30, 2014, a
22 transfer of residential real property if the transferee is related
23 to the transferor by blood or affinity to the first degree and the
24 use of the residential real property does not change following the
25 transfer.

26 (u) Beginning December 31, 2014, a transfer of residential
27 real property if the transferee is the transferor's or the
28 transferor's spouse's mother, father, brother, sister, son,
29 daughter, adopted son, adopted daughter, grandson, or granddaughter

1 and the residential real property is not used for any commercial
2 purpose following the conveyance. Upon request by the department of
3 treasury or the assessor, the transferee shall furnish proof within
4 30 days that the transferee meets the requirements of this
5 subdivision. If a transferee fails to comply with a request by the
6 department of treasury or assessor under this subdivision, that
7 transferee is subject to a fine of \$200.00.

8 (v) Beginning December 31, 2014, for residential real
9 property, a conveyance from a trust if the person to whom the
10 residential real property is conveyed is the settlor's or the
11 settlor's spouse's mother, father, brother, sister, son, daughter,
12 adopted son, adopted daughter, grandson, or granddaughter and the
13 residential real property is not used for any commercial purpose
14 following the conveyance. Upon request by the department of
15 treasury or the assessor, the sole present beneficiary or
16 beneficiaries shall furnish proof within 30 days that the sole
17 present beneficiary or beneficiaries meet the requirements of this
18 subdivision. If a present beneficiary fails to comply with a
19 request by the department of treasury or assessor under this
20 subdivision, that present beneficiary is subject to a fine of
21 \$200.00.

22 (w) Beginning on March 31, 2015, a conveyance of land by
23 distribution under a will or trust or by intestate succession, but
24 not buildings or structures located on the land, which meets 1 or
25 more of the following requirements:

26 (i) The land is made subject to a conservation easement under
27 subpart 11 of part 21 of the natural resources and environmental
28 protection act, 1994 PA 451, MCL 324.2140 to 324.2144, prior to the
29 conveyance by distribution under a will or trust or by intestate

1 succession. As used in this subparagraph, "conservation easement"
2 means that term as defined in section 2140 of the natural resources
3 and environmental protection act, 1994 PA 451, MCL 324.2140.

4 (ii) The land or an interest in the land is made eligible for a
5 deduction as a qualified conservation contribution under section
6 170(h) of the internal revenue code, 26 USC 170, prior to the
7 conveyance by distribution under a will or trust or by intestate
8 succession.

9 (x) A conveyance of property under section 2120a(6) of the
10 natural resources and environmental protection act, 1994 PA 451,
11 MCL 324.2120a.

12 (y) A transfer of residential real property from a general
13 partnership or limited partnership whose partners are all closely
14 related for the entire duration of the partnership if, immediately
15 before the transfer, the transferee is 1 or more of the closely
16 related partners or is 1 or more individuals each of whom is
17 closely related to at least 1 of the partners of the general
18 partnership or limited partnership, and if the residential real
19 property is not used for any commercial purpose after the transfer.
20 For purposes of this subdivision, an individual is closely related
21 to a partner of a general partnership or limited partnership if
22 that individual and the partner are spouses or if that individual
23 is the partner's or the partner's spouse's mother, father, brother,
24 sister, son, daughter, adopted son, adopted daughter, grandson, or
25 granddaughter. Upon request by the department of treasury or the
26 assessor, a transferee shall furnish proof within 45 days that a
27 transfer meets the requirements of this subdivision. If a
28 transferee fails to comply with a request by the department of
29 treasury or assessor under this subdivision, that transferee is

1 **subject to a fine of \$200.00.**

2 (8) If all of the following conditions are satisfied, the
3 local tax collecting unit shall revise the taxable value of
4 qualified agricultural property taxable on the tax roll in the
5 possession of that local tax collecting unit to the taxable value
6 that qualified agricultural property would have had if there had
7 been no transfer of ownership of that qualified agricultural
8 property since December 31, 1999 and there had been no adjustment
9 of that qualified agricultural property's taxable value under
10 subsection (3) since December 31, 1999:

11 (a) The qualified agricultural property was qualified
12 agricultural property for taxes levied in 1999 and each year after
13 1999.

14 (b) The owner of the qualified agricultural property files an
15 affidavit with the assessor of the local tax collecting unit under
16 subsection (7)(o).

17 (9) If the taxable value of qualified agricultural property is
18 adjusted under subsection (8), the owner of that qualified
19 agricultural property is not entitled to a refund for any property
20 taxes collected under this act on that qualified agricultural
21 property before the adjustment under subsection (8).

22 (10) The register of deeds of the county where deeds or other
23 title documents are recorded shall notify the assessing officer of
24 the appropriate local taxing unit not less than once each month of
25 any recorded transaction involving the ownership of property and
26 shall make any recorded deeds or other title documents available to
27 that county's tax or equalization department. Unless notification
28 is provided under subsection (6), the buyer, grantee, or other
29 transferee of the property shall notify the appropriate assessing

1 office in the local unit of government in which the property is
2 located of the transfer of ownership of the property within 45 days
3 of the transfer of ownership, on a form prescribed by the state tax
4 commission that states the parties to the transfer, the date of the
5 transfer, the actual consideration for the transfer, and the
6 property's parcel identification number or legal description. Forms
7 filed in the assessing office of a local unit of government under
8 this subsection shall be made available to the county tax or
9 equalization department for the county in which that local unit of
10 government is located. This subsection does not apply to personal
11 property except buildings described in section 14(6) and personal
12 property described in section 8(h), (i), and (j).

13 (11) As used in this section:

14 (a) "Additions" means that term as defined in section 34d.

15 (b) "Beneficial use" means the right to possession, use, and
16 enjoyment of property, limited only by encumbrances, easements, and
17 restrictions of record.

18 (c) "Commercial purpose" means used in connection with any
19 business or other undertaking intended for profit, but does not
20 include the rental of residential real property for a period of
21 less than 15 days in a calendar year.

22 (d) "Inflation rate" means that term as defined in section
23 34d.

24 (e) "Losses" means that term as defined in section 34d.

25 (f) "Qualified agricultural property" means that term as
26 defined in section 7dd.

27 (g) "Qualified forest property" means that term as defined in
28 section 7jj[1].

29 (h) "Residential real property" means real property classified

1 as residential real property under section 34c.