

# SENATE BILL NO. 485

July 17, 2025, Introduced by Senator ANTHONY and referred to Committee on Housing and Human Services.

A bill to amend 2003 PA 260, entitled  
"Tax reverted clean title act,"  
by amending sections 4 and 5 (MCL 211.1024 and 211.1025), section 5  
as amended by 2016 PA 151.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 4. (1) Not later than December 31 of each year, an  
2 authority shall provide a list of all property ~~it~~ sold ~~by the~~  
3 ~~authority~~ **or otherwise conveyed** in that calendar year to the  
4 assessor of each local tax collecting unit in which the property

1 ~~sold by the authority~~ is located.

2       (2) Not later than December 31 of each year, a foreclosing  
3 governmental unit shall provide a list of all property it sold or  
4 otherwise conveyed under section 78m of the general property tax  
5 act, 1893 PA 206, MCL 211.78m, in that calendar year to the  
6 assessor of each local tax collecting unit in which the property is  
7 located. This subsection does not apply if the foreclosing  
8 governmental unit is not this state and there is no authority to  
9 which unsold property could have been conveyed under section  
10 78m(7)(a) of the general property tax act, 1893 PA 206, MCL  
11 211.78m.

12       (3) ~~(2)~~—The assessor of each local tax collecting unit in  
13 which there is eligible tax reverted property shall determine  
14 annually as of December 31 the value and taxable value of each  
15 parcel of eligible tax reverted property and shall furnish that  
16 information to the legislative body of the local tax collecting  
17 unit.

18       Sec. 5. (1) Except as otherwise provided in section 5a, there  
19 is levied ~~upon~~ ~~on~~ every owner of eligible tax reverted property a  
20 specific tax to be known as the eligible tax reverted property  
21 specific tax.

22       (2) The amount of the eligible tax reverted property specific  
23 tax in each year is the amount of tax that would have been  
24 collected on that parcel under the general property tax act, 1893  
25 PA 206, MCL 211.1 to 211.155, if that parcel was not exempt under  
26 section 3. An owner of eligible tax reverted property that is a  
27 principal residence may claim an exemption for that portion of the  
28 specific tax attributable to the tax levied by a local school  
29 district for school operating purposes to the extent provided under

1 section 1211 of the revised school code, 1976 PA 451, MCL 380.1211,  
 2 if ~~an~~**the** owner of that eligible tax reverted property claims or  
 3 has claimed an exemption for the property as provided in section  
 4 7cc of the general property tax act, 1893 PA 206, MCL 211.7cc.

5 (3) The eligible tax reverted property specific tax ~~shall~~**must**  
 6 be assessed, collected, and disbursed in accordance with this act.

7 (4) The eligible tax reverted property specific tax is an  
 8 annual tax, payable at the same times, in the same installments,  
 9 and to the same officer or officers as taxes imposed under the  
 10 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, and  
 11 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,  
 12 are payable. The eligible tax reverted property specific tax is  
 13 subject to the same collection fee and interest as taxes imposed  
 14 under the general property tax act, 1893 PA 206, MCL 211.1 to  
 15 211.155. Except as otherwise provided in this section, the officer  
 16 or officers shall disburse the eligible tax reverted property  
 17 specific tax payments received by the officer or officers each year  
 18 as follows:

19 (a) Fifty percent ~~of the eligible tax reverted property~~  
 20 ~~specific tax to and among~~ this state and cities, townships,  
 21 villages, school districts, counties, or other taxing units, at the  
 22 same times and in the same proportions as required by law for the  
 23 disbursement of taxes collected under the general property tax act,  
 24 1893 PA 206, MCL 211.1 to 211.155.

25 (b) Fifty percent ~~of the eligible tax reverted property~~  
 26 ~~specific tax to~~ **either** the authority that sold or otherwise  
 27 conveyed the property under the land bank fast track act, 2003 PA  
 28 258, MCL 124.751 to 124.774, which sale or conveyance caused the  
 29 property to be eligible tax reverted property, **or the authority to**

1 which the foreclosing governmental unit would have transferred the  
 2 property under section 78m(7) (a) of the general property tax act,  
 3 1893 PA 206, MCL 211.78m, if the property had not been sold or  
 4 otherwise conveyed by the foreclosing governmental unit. ~~The~~  
 5 ~~eligible tax reverted property specific tax~~ **An authority shall use**  
 6 **amounts** disbursed to the authority under this subdivision ~~shall~~  
 7 ~~only be used by the authority for 1 or more~~ **either or both** of the  
 8 following:

9 (i) For the purposes authorized under the land bank fast track  
 10 act, 2003 PA 258, MCL 124.751 to 124.774, including, but not  
 11 limited to, costs to clear, quiet, or defend title to property held  
 12 by the authority.

13 (ii) To repay a loan made to the authority under section 2f of  
 14 1855 PA 105, MCL 21.142f.

15 (5) For intermediate school districts receiving state aid  
 16 under sections 56, 62, and 81 of the state school aid act of 1979,  
 17 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of  
 18 eligible tax reverted property specific tax that would otherwise be  
 19 disbursed to an intermediate school district, all or a portion, to  
 20 be determined on the basis of the tax rates being utilized to  
 21 compute the amount of state aid, ~~shall~~ **must** be paid to the state  
 22 treasury to the credit of the state school aid fund established by  
 23 section 11 of article IX of the state constitution of 1963.

24 (6) The amount of eligible tax reverted property specific tax  
 25 described in subsection (2) that would otherwise be disbursed to a  
 26 local school district for school operating purposes ~~shall~~ **must** be  
 27 paid instead to the state treasury and credited to the state school  
 28 aid fund established by section 11 of article IX of the state  
 29 constitution of 1963.

1           (7) The officer or officers shall send a copy of the amount of  
2 disbursement made to each unit under this section to the commission  
3 on a form provided by the commission.

4           (8) Eligible tax reverted property located in a renaissance  
5 zone under the Michigan renaissance zone act, 1996 PA 376, MCL  
6 125.2681 to 125.2696, is exempt from the eligible tax reverted  
7 property specific tax levied under this act to the extent and for  
8 the duration provided under the Michigan renaissance zone act, 1996  
9 PA 376, MCL 125.2681 to 125.2696, except for that portion of the  
10 eligible tax reverted property specific tax attributable to a tax  
11 described in section 7ff(2) of the general property tax act, 1893  
12 PA 206, MCL 211.7ff. The eligible tax reverted property specific  
13 tax calculated under this subsection ~~shall~~**must** be disbursed  
14 proportionately to the taxing unit or units that levied the tax  
15 described in section 7ff(2) of the general property tax act, 1893  
16 PA 206, MCL 211.7ff.

17           (9) The eligible tax reverted property specific tax levied  
18 under this section becomes a lien on the eligible tax reverted  
19 property assessed on the same date that a tax becomes a lien on  
20 real property under the general property tax act, 1893 PA 206, MCL  
21 211.1 to 211.155. A lien for the eligible tax reverted property  
22 specific tax includes any applicable collection fee or interest. A  
23 lien under this subsection continues until paid.

24           (10) If the county treasurer consents, any unpaid eligible tax  
25 reverted property specific tax and any applicable collection fee or  
26 interest ~~shall~~**must** be returned as delinquent to the county  
27 treasurer at the same time taxes are returned as delinquent under  
28 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.  
29 Except as otherwise provided in this subsection, eligible tax

1   reverted property subject to an eligible tax reverted property  
2   specific tax returned as delinquent is subject to forfeiture,  
3   foreclosure, and sale at the same time and in the same manner as  
4   property subject to delinquent taxes under the general property tax  
5   act, 1893 PA 206, MCL 211.1 to 211.155. If an eligible tax reverted  
6   property specific tax or any applicable collection fee or interest  
7   for an eligible tax reverted property has not been paid for 2 or  
8   more years on the date the eligible tax reverted property is  
9   returned as delinquent under this subsection, the eligible tax  
10   reverted property ~~shall~~**must** be forfeited to the county treasurer  
11   ~~upon~~**on** its return and is subject to foreclosure and sale at the  
12   same time and in the same manner as other property forfeited under  
13   the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

14       Enacting section 1. This amendatory act does not take effect  
15   unless Senate Bill No. 484 of the 103rd Legislature is enacted into  
16   law.