

THE REVENUE BOND ACT OF 1933 (EXCERPT)
Act 94 of 1933

141.121a Issuance of notes; requirement that delinquent tax revenues be fixed and sufficient; statutory lien.

Sec. 21a. (1) Delinquent tax revenues shall be fixed before the issuance of the notes and shall be sufficient to provide for all of the following:

(a) The payment of the interest on and the principal of notes payable from the delinquent tax revenues when the notes become due and payable.

(b) The creation of any reserve for the notes as required in the order authorizing the issuance of those notes.

(2) The county treasurer shall covenant and agree in the order authorizing the issuance of the notes and on the face of each note to collect at all times the amounts pledged to repay the notes which shall be sufficient to provide for the amounts described in subsection (1). The amounts pledged that are fixed and established pursuant to the order shall not be subject to revision or change.

(3) Notes issued and sold under this section shall be secured by a statutory lien on the delinquent taxes and, to the extent held in the delinquent tax revolving fund, on all other property and assets and any revenues derived from the delinquent taxes and other property or assets. The lien shall automatically attach without further action or authorization by the county treasurer. The lien on the delinquent taxes and all other property and assets and any revenues derived from the delinquent taxes and other property or assets that are held in the delinquent tax revolving fund shall be valid and binding from the time the notes are executed and delivered. The lien shall automatically attach and be effective, binding, and enforceable against the county, the county treasurer, its successors, transferees, and creditors, and all others asserting rights in the secured property, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act. In addition, the amounts collected which are subject to the lien shall be held in trust for the owners of the notes authorized by this section. Any property eligible to be conveyed and properly conveyed to a land bank fast track authority as tax reverted property, as defined by section 3(q) of the land bank fast track act, 2003 PA 258, MCL 124.753, or to this state or a person, city, village, township, or county pursuant to section 78m or 78r of the general property tax act, 1893 PA 206, MCL 211.78m and 211.78r, shall be released from any lien created under this section.

History: Add. 2016, Act 83, Imd. Eff. Apr. 12, 2016.