

THE GENERAL PROPERTY TAX ACT (EXCERPT)
Act 206 of 1893

211.107 Applicability of interest, penalty, and fee requirements to cities and villages; prerequisite for protest to board of review; reference to supervisor, township treasurer, and board of review; composition of board in certain cities; sessions; election and duties of chairperson and clerk; purchase of county tax lien; enforcement and collection; interest and penalties; validity of pledge; foreclosure; county tax lien.

Sec. 107. (1) The requirements of this act relating to the amount and imposition of interest, penalties, collection or administration fees, the procedures for collection of taxes, and the enforcement of tax liens are applicable to all cities and villages if not inconsistent with their respective charters or an ordinance enacted pursuant to their respective charters. In addition to the methods authorized under section 108, a city or village, which by its charter does not return its delinquent taxes to the county for collection, may enforce the tax liens for delinquent taxes, assessments, and charges by foreclosure proceedings or any other method authorized under statute, charter, or ordinance enacted pursuant to law or charter. Notwithstanding any provision of this act to the contrary, a charter of a city or township may authorize the establishment of procedures requiring protests to the board of review to be first addressed to the assessor or other agency of the city or township as a prerequisite for a protest before the board of review if the assessor or other agency to whom a protest is first addressed does not have the authority to deny the petitioner the right to protest before the board of review.

(2) For purposes of this act, reference to supervisor, township treasurer, and board of review includes assessing and collecting officers and boards whose duty it is to review an assessment roll. The word township may include city, ward, village, or, if in relation to property tax collection functions, any other local property tax collecting unit.

(3) In an incorporated city, the charter of which does not provide for a board of review, the board of review shall consist of the supervisors or other officers making the assessment, the city attorney, and additional members to be appointed by the common council, who shall not be aldermen, equaling the number of supervisors or assessing officers. The session of the board of review shall be held at the council room on the same days as designated in this act for the meeting of the township board of review, unless otherwise provided by the charter of the city, and the proceedings shall be conducted in the same manner as provided in this act. The board of review shall elect a chairperson and clerk, who shall certify to the correctness of the several assessment rolls when completed, substantially as the form prescribed in sections 29 and 30. The appointed members of the board of review shall take the constitutional oath of office, which shall be filed in the office of the city recorder or clerk.

(4) For taxes levied before January 1, 1997, at any time before the redemption period provided under section 131e has expired, a person who holds a tax lien from a city pursuant to the Michigan tax lien sale and collateralized securities act, 1998 PA 379, MCL 211.921 to 211.941, may also purchase a county tax lien. A county tax lien purchased under this section shall be transferred by the county or by this state to the purchaser upon receipt of an amount equal to the delinquent taxes, charges, assessments, penalties, interest, and fees represented by the county tax lien. This subsection only applies to county tax liens on property for which the purchaser holds a tax lien from a city.

(5) For taxes levied before January 1, 1997, a person who purchased a county tax lien under this section may enforce that county tax lien and collect the amounts secured by that county tax lien, together with any interest and penalties that accrued before or after the purchase, in any manner that the city is authorized to use to enforce and collect a tax lien for taxes collected by the city. A county tax lien sold under this section is a preferred or first claim upon the property subject to the lien in the same manner as if the city held the tax lien. A county tax lien purchaser shall not take any action to enforce or collect a county tax lien that the city is not authorized to take to enforce and collect a tax lien for taxes collected by the city.

(6) For taxes levied before January 1, 1997, if a county tax lien is purchased pursuant to this section, the portion of the county tax lien that represents delinquent taxes, charges, and assessments is subject to interest and penalties at the same rate as interest and penalties on delinquent taxes, charges, and assessments subject to collection by the city. However, the maximum amount of penalties charged before and after the purchase of the tax lien shall not exceed the maximum amount of penalties that may be imposed by the city for delinquent taxes, charges, and assessments subject to collection by the city. A person who purchases a county tax lien pursuant to this section may retain any delinquent taxes, interest, and penalties collected for delinquent taxes, charges, and assessments subject to the county tax lien purchased.

(7) For taxes levied before January 1, 1997, a pledge of tax liens or earnings, revenues, other money, or assets from enforcement of county tax liens purchased pursuant to this section is valid and binding from the time the pledge is made without any filing, recording, or other requirement of notice. The tax liens, earnings, revenues, other money, or assets from enforcement of county tax liens purchased pursuant to this section are subject to the same requirements as the tax liens, earnings, revenues, other money, or assets from enforcement of county tax liens purchased pursuant to this section.

revenues, other money, or assets pledged by a person who purchased a tax lien are immediately subject to the lien of the pledge without physical delivery or further act. The lien of the pledge of tax liens, earnings, revenues, other money, or assets is valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the purchaser whether or not those parties have notice of the lien of the pledge. Any instrument by which a pledge is created is not required to be recorded.

(8) For taxes levied before January 1, 1997, a city that does not return its delinquent taxes to the county for collection pursuant to its charter shall commence a civil action to foreclose its lien for any delinquent taxes, assessments, and charges subject to collection by the city on real property for which a prior lien has been obtained from the city pursuant to the Michigan tax lien sale and collateralized securities act. Foreclosure proceedings required under this subsection shall commence within 3 years after the date the taxes, assessments, and charges subject to collection by the city become delinquent. Foreclosure proceedings on a lien shall not be required under this subsection if either of the following circumstances exists:

(a) The subsequent tax lien on the same property is conveyed pursuant to the Michigan tax lien sale and collateralized securities act.

(b) The prior tax lien conveyed pursuant to the Michigan tax lien sale and collateralized securities act has been satisfied or extinguished.

(9) For taxes levied after December 31, 1996, at any time before the redemption period provided under section 78g has expired, a person who holds a tax lien from a city pursuant to the Michigan tax lien sale and collateralized securities act, 1998 PA 379, MCL 211.921 to 211.941, may also purchase a county tax lien. A county tax lien purchased under this section shall be transferred by the county or by this state to the purchaser upon receipt of an amount equal to the delinquent taxes, charges, assessments, penalties, interest, and fees represented by the county tax lien. This subsection only applies to county tax liens on property for which the purchaser holds a tax lien from a city.

(10) For taxes levied after December 31, 1996, a person who purchased a county tax lien under subsection (9) may enforce that county tax lien and collect the amounts secured by that county tax lien, together with any interest and penalties that accrued before or after the purchase, in the manner provided under sections 78 to 78k only, notwithstanding any city charter provisions to the contrary. A county tax lien sold under subsection (9) is a preferred or first claim upon the property subject to the lien in the same manner as if the city held the tax lien. A county tax lien purchaser shall not take any action to enforce or collect a county tax lien that is not authorized under sections 78 to 78n.

(11) For taxes levied after December 31, 1996, if a county tax lien is purchased pursuant to subsection (9), the portion of the county tax lien that represents delinquent taxes, interest, penalties, and fees is subject to interest, penalties, and fees as provided under sections 78 to 78k. A person who purchases a county tax lien pursuant to subsection (9) may retain any delinquent taxes, interest, penalties, and fees collected for delinquent taxes, interest, penalties, and fees subject to the county tax lien purchased. The fees levied under sections 78 to 78k shall not be levied more than 1 time on each parcel in each tax year.

(12) For taxes levied after December 31, 1996, a pledge of tax liens or earnings, revenues, other money, or assets from enforcement of county tax liens purchased pursuant to subsection (9) is valid and binding from the time the pledge is made without any filing, recording, or other requirement of notice. The tax liens, earnings, revenues, other money, or assets pledged by a person who purchased a tax lien are immediately subject to the lien of the pledge without physical delivery or further act. The lien of the pledge of tax liens, earnings, revenues, other money, or assets is valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the purchaser whether or not those parties have notice of the lien of the pledge. Any instrument by which a pledge is created is not required to be recorded.

(13) As used in this section, "county tax lien" means the following:

(a) As used in subsections (4) to (8), an interest in or encumbrance upon property for taxes levied before January 1, 1997, and charges, assessments, penalties, interest, or fees on those taxes that are returned as delinquent to a county treasurer or, after being returned as delinquent and bid off to this state pursuant to section 70, the state treasurer.

(b) As used in subsections (9) to (12), an interest in or encumbrance upon property for taxes levied after December 31, 1996, charges, assessments, penalties, interest, or fees that are returned as delinquent to a county treasurer.

History: 1893, Act 206, Eff. June 12, 1893;—CL 1897, 3930;—CL 1915, 4106;—CL 1929, 3500;—CL 1948, 211.107;—Am. 1978, Act 124, Imd. Eff. Apr. 25, 1978;—Am. 1982, Act 539, Eff. Mar. 30, 1983;—Am. 1998, Act 378, Imd. Eff. Oct. 21, 1998;—Am. 1999, Act 123, Eff. Oct. 1, 1999.

Compiler's note: In subsection (1), the phrase "the collection or administration fees" evidently should read "collection of administration fees."

Popular name: Act 206

Rendered Monday, July 7, 2025

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Michigan Compiled Laws Complete Through PA 5 of 2025

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