

**DEFERMENT OF SPECIAL ASSESSMENTS ON HOMESTEADS (EXCERPT)**  
**Act 225 of 1976**

**211.762 Deferment of special assessments on homesteads; partial payments; conveyance or transfer of or contract to sell homestead; termination of deferment; interest charge; notice.**

Sec. 2. (1) The payment of special assessments assessed before October 1, 2020 and due and payable on a homestead in any year in which the owner meets all of the terms and conditions of this act is deferred until 1 year after the owner's death, subject to further order by the probate court or until the homestead or any part of the homestead is conveyed or transferred to another or a contract to sell is entered into. The department shall not pay for any special assessments assessed on or after October 1, 2020. The death of a spouse does not terminate the deferment of special assessments for a homestead owned by a married couple under tenancy by the entireties as long as the surviving spouse does not remarry. Special assessments deferred under this act may be paid in full at any time. Alternatively, an owner may at any time make partial payments on the balance of special assessments owed under section 6, including any interest due on those special assessments, subject to all of the following:

(a) At the owner's discretion, the owner may make as many as 4 partial payments per calendar year in a form and manner prescribed by the department.

(b) A partial payment must be in an amount not less than the greater of the following:

(i) Five percent of the sum of the balance of special assessments owed under section 6 plus interest due on those special assessments.

(ii) \$500.00.

(c) Interest continues to accrue on any unpaid balance of special assessments owed under section 6.

(d) Payment is due in full for the balance of special assessments owed under section 6 plus interest due on those special assessments if the owner conveys or transfers the homestead or any part of it, or enters a contract to sell the homestead or any part of it.

(e) Upon the death of the owner, payment is due in full within 1 year for the balance of special assessments owed under section 6 plus interest due on those special assessments.

(2) If the collecting officer or the department determines that legal or equitable title to a homestead or any part of a homestead for which special assessments are deferred under this act is conveyed or transferred or a contract to sell the homestead or part of a homestead is entered into, and the deferment is not terminated, the owner or owner's estate is subject to an interest rate of 1% per month or fraction of a month, on the amount deferred, computed from the date of conveyance, transfer, or contractual agreement. The amount of interest is payable to the collecting officer and must be transmitted by that office pursuant to section 9.

(3) The department shall notify each owner whose special assessments are authorized to be deferred under this act that if legal or equitable title to the homestead or any part of the homestead is conveyed or transferred or a contract to sell the homestead or part of the homestead is entered into, the deferment is terminated and the amount deferred is immediately due and payable, plus interest as provided in subsection (2).

**History:** 1976, Act 225, Imd. Eff. Aug. 4, 1976;—Am. 1980, Act 403, Imd. Eff. Jan. 8, 1981;—Am. 2020, Act 331, Imd. Eff. Dec. 29, 2020.