

SENATE BILL No. 44

January 11, 1989, Introduced by Senator DeGrow and referred to the
Committee on Judiciary.

A bill to amend section 6023 of Act No. 236 of the Public
Acts of 1961, entitled as amended

"Revised judicature act of 1961,"

as amended by Act No. 83 of the Public Acts of 1984, being sec-
tion 600.6023 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 6023 of Act No. 236 of the Public Acts
2 of 1961, as amended by Act No. 83 of the Public Acts of 1984,
3 being section 600.6023 of the Michigan Compiled Laws, is amended
4 to read as follows:

5 Sec. 6023. (1) ~~-(a)-~~ The following property shall be exempt
6 from levy and sale under any execution:

7 (A) ~~-(1)-~~ All family pictures, all arms and accouterments
8 required by law to be kept by any person, all wearing apparel of
9 every person or family, and provisions and fuel for comfortable

1 subsistence of each householder and his or her family for 6
2 months. —

3 (B) ~~(2)~~ All household goods, furniture, utensils, books,
4 and appliances, not exceeding in value \$1,000.00. —

5 (C) ~~(3)~~ A seat, pew, or slip occupied by the judgment
6 debtor or the judgment debtor's family in any house or place of
7 public worship, and all cemeteries, tombs, and rights of burial
8 while in use as repositories of the dead of the judgment debtor's
9 family or kept for burial of the judgment debtor. —

10 (D) ~~(4)~~ To each householder, 10 sheep, 2 cows, 5 swine,
11 100 hens, 5 roosters, and a sufficient quantity of hay and grain,
12 growing or otherwise, for properly keeping such animals and poul-
13 try for 6 months. —

14 (E) ~~(5)~~ The tools, implements, materials, stock, appa-
15 ratus, team, vehicle, motor vehicle, horses, harness, or other
16 things to enable a person to carry on the profession, trade,
17 occupation, or business in which the person is principally
18 engaged, not exceeding in value \$1,000.00. —

19 (F) ~~(6)~~ Any ~~moneys~~ MONEY or other benefits paid, pro-
20 vided, or allowed to be paid, provided, or allowed, by any stock
21 or mutual life or health or casualty insurance company, on
22 account of the disability due to injury or sickness of any
23 insured person, whether the debt or liability of such insured
24 person or beneficiary was incurred before or after the accrual of
25 benefits under the insurance ~~policies and contracts above~~
26 ~~specified~~ POLICY OR CONTRACT, except that ~~such~~ THE exemption

1 does not apply to actions to recover for necessities contracted
2 for after the accrual of ~~such~~ THE benefits. —

3 (G) ~~(7)~~ The shares held by any member, being a household-
4 er, of any association incorporated under the provisions of ~~Act~~
5 ~~No. 17 of the Public Acts of 1901, relating to mutual building~~
6 ~~and loan associations~~ THE SAVINGS AND LOAN ACT OF 1980, ACT
7 NO. 307 OF THE PUBLIC ACTS OF 1980, BEING SECTIONS 491.102 TO
8 491.1202 OF THE MICHIGAN COMPILED LAWS, to the amount of
9 \$1,000.00 in such shares, at par value, except that ~~such~~ THIS
10 exemption does not apply to any person who has a homestead
11 exempted under the general laws of this state. —

12 (H) ~~(8)~~ A homestead of not exceeding 40 acres of land and
13 the dwelling house and appurtenances ~~thereon~~ ON THAT HOMESTEAD,
14 and not included in any recorded ~~town~~ plat, city, or village,
15 or, instead, and at the option of the owner, a quantity of land
16 not exceeding in amount 1 lot, being within a recorded town plat,
17 city, or village, and the dwelling house and appurtenances
18 ~~thereon~~ ON THAT LAND, owned and occupied by any resident of
19 this state, not exceeding in value \$3,500.00. This exemption
20 extends to any person owning and occupying any house on land not
21 his or her own and which ~~such~~ THE person claims as a
22 homestead. ~~But~~ HOWEVER, this exemption does not apply to any
23 mortgage on the homestead, lawfully obtained, except that ~~such~~
24 THE mortgage is not valid without the signature of a married
25 judgment debtor's spouse unless EITHER OF THE FOLLOWING OCCURS:

26 (i) ~~(a)~~ The mortgage is given to secure the payment of the
27 purchase money or a portion ~~thereof, or~~ OF THE PURCHASE MONEY.

1 (ii) ~~(b)~~ The mortgage is recorded in the office of the
2 register of deeds of the county ~~wherein~~ IN WHICH the property
3 is located, for a period of 25 years, and no notice of a claim of
4 invalidity is filed in ~~such~~ THAT office during the 25 years
5 following the recording of the mortgage.

6 (I) ~~(9)~~ An equity of redemption as described in section
7 6060.

8 (J) ~~(+0)~~ The homestead of a family, after the death of the
9 owner ~~thereof~~ OF THE HOMESTEAD, from the payment of his or her
10 debts in all cases during the minority of his or her children.

11 (K) ~~(++)~~ An individual retirement account or individual
12 retirement annuity as defined in section 408 of the internal rev-
13 enue code and the payments or distributions from ~~such an~~ THE
14 account or annuity, except that this exemption does not apply to
15 ~~any~~ EITHER of the following:

16 (i) An order of a court pursuant to a judgment of divorce or
17 separate maintenance.

18 (ii) An order of a court concerning child support.

19 ~~(iii) Contributions to an individual retirement account or~~
20 ~~premiums on an individual retirement annuity, including the earn-~~
21 ~~ings or benefits from those contributions or premiums, that~~
22 ~~exceed, in the tax year made or paid, the deductible amount~~
23 ~~allowed under section 408 of the internal revenue code.~~

24 (l) THE RIGHT OR INTEREST OF A PERSON IN AN ANNUITY, PEN-
25 SION, PROFIT SHARING, OR OTHER RETIREMENT PLAN SUBJECT TO THE
26 EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, PUBLIC LAW
27 93-406. THIS EXEMPTION SHALL ALSO APPLY TO THE OPERATION OF THE

1 FEDERAL BANKRUPTCY CODE, AS PERMITTED BY SECTION 522(B)(2) OF
2 TITLE 11 OF THE UNITED STATES CODE, 11 U.S.C. 522. THIS EXEMP-
3 TION DOES NOT APPLY TO AMOUNTS CONTRIBUTED TO AN ANNUITY, PEN-
4 SION, PROFIT SHARING, OR OTHER RETIREMENT PLAN OTHERWISE SUBJECT
5 TO EXEMPTION UNDER THIS SUBDIVISION THAT ARE CONTRIBUTED WITHIN
6 120 DAYS BEFORE THE PERSON FILES FOR BANKRUPTCY. THIS EXEMPTION
7 DOES NOT APPLY TO THE RIGHT OR INTEREST OF A PERSON IN AN ANNUI-
8 TY, PENSION, PROFIT SHARING, OR OTHER RETIREMENT PLAN TO THE
9 EXTENT THAT THAT RIGHT OR INTEREST IS SUBJECT TO ANY OF THE
10 FOLLOWING:

11 (i) AN ORDER OF A COURT PURSUANT TO A JUDGMENT OF DIVORCE OR
12 SEPARATE MAINTENANCE.

13 (ii) AN ORDER OF A COURT CONCERNING CHILD SUPPORT.

14 THIS EXEMPTION DOES NOT APPLY TO CONTRIBUTIONS TO AND THE EARN-
15 INGS ON ANY OF THE RETIREMENT PLANS ENUMERATED IN THIS SUBDIVI-
16 SION THAT ARE NOT QUALIFIED RETIREMENT PLANS UNDER THE INTERNAL
17 REVENUE CODE.

18 (2) ~~(b)~~ The exemptions provided in this section shall not
19 extend to any lien thereon excluded from exemption by law.

20 (3) ~~(c)~~ If the owner of a homestead dies, leaving a sur-
21 viving spouse but no children, ~~such~~ THE homestead shall be
22 exempt, and the rents and profits ~~thereof~~ OF THE HOMESTEAD
23 shall accrue to the benefit of the surviving spouse before his or
24 her remarriage, unless the surviving spouse is the owner of a
25 homestead in his or her own right.