

SENATE BILL No. 116

February 8, 1989, Introduced by Senators CRUCE and SEDERBURG and referred to the Committee on Finance.

A bill to amend sections 4 and 9 of Act No. 134 of the Public Acts of 1966, entitled

"An act to impose a tax upon written instruments which transfer any interest in real property; to provide for the administration of this act; and to provide penalties for violations of this act,"

section 4 as amended by Act No. 413 of the Public Acts of 1980, being sections 207.504 and 207.509 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 4 and 9 of Act No. 134 of the Public
2 Acts of 1966, section 4 as amended by Act No. 413 of the Public
3 Acts of 1980, being sections 207.504 and 207.509 of the Michigan
4 Compiled Laws, are amended to read as follows:

5 Sec. 4. (1) ~~The~~ THROUGH DECEMBER 31, 1989, THE tax UNDER
6 THIS ACT shall be at the rate of 55 cents in a county with a

1 population of less than 2,000,000 and not more than 75 cents as
2 authorized by the county board of commissioners in a county with
3 a population of 2,000,000 or more for each \$500.00 or fraction
4 ~~thereof~~ OF \$500.00 of the total value.

5 (2) BEGINNING JANUARY 1, 1990, THE TAX UNDER THIS ACT SHALL
6 BE AT THE RATE OF \$1.10 IN A COUNTY WITH A POPULATION OF LESS
7 THAN 2,000,000 AND NOT MORE THAN \$1.50 AS AUTHORIZED BY THE
8 COUNTY BOARD OF COMMISSIONERS IN A COUNTY WITH A POPULATION OF
9 2,000,000 OR MORE FOR EACH \$500.00 OR FRACTION OF \$500.00 OF THE
10 TOTAL VALUE. THE PROCEEDS OF THE AMOUNT OF THE INCREASE IN TAX
11 UNDER THIS SUBSECTION SHALL BE DISTRIBUTED AS PROVIDED IN
12 SECTION 9.

13 (3) A written instrument subject to the tax imposed by this
14 act shall state on its face the total value of the real property
15 or there shall be attached to the instrument an affidavit declar-
16 ing the total value of the real property. The form of the affi-
17 davit shall be prescribed by the state tax commission. In the
18 case of the sale or transfer of a combination of real and per-
19 sonal property, the tax shall be imposed only upon the transfer
20 of the real property, if the values of the real and personal
21 property are stated separately on the face of the instrument or
22 if an affidavit is attached to the instrument setting forth the
23 respective values of the real and personal property.

24 Sec. 9. (1) ~~All~~ EXCEPT AS PROVIDED IN SUBSECTION (2), ALL
25 revenue received under this act shall be deposited in the trea-
26 sury of the county where the tax is collected to the credit of
27 the general fund.

1 (2) THE PROCEEDS OF THE INCREASE IN THE TAX PROVIDED FOR IN
2 SECTION 4(2) SHALL BE DISTRIBUTED TO THE STATE TREASURER FOR
3 DEPOSIT IN THE STATE TREASURY TO THE CREDIT OF THE HOME EQUITY
4 FUND CREATED BY SECTION 24I OF THE STATE HOUSING DEVELOPMENT
5 AUTHORITY ACT OF 1966, ACT NO. 346 OF THE PUBLIC ACTS OF 1966,
6 BEING SECTION 125.1424I OF THE MICHIGAN COMPILED LAWS. HOWEVER,
7 THE COUNTY MAY RETAIN 5% OF THE PROCEEDS OF THE INCREASE IN THE
8 TAX TO OFFSET COSTS INCURRED BY THE COUNTY IN COLLECTING THE TAX
9 AND DEPOSITING THE FUNDS WITH THE STATE TREASURY.

10 Section 2. This amendatory act shall not take effect unless
11 Senate Bill No. 117
12 of the 85th Legislature is enacted into law.