

SALE OF SURPLUS LANDS

House Bill 5226

Sponsor: Rep. Patricia Birkholz

Committee: Conservation and Outdoor
Recreation

Complete to 7-31-02

A SUMMARY OF HOUSE BILL 5226 AS INTRODUCED 10-16-01

The bill would amend provisions relating to the sale of surplus land in the Natural Resources and Environmental Protection Act (Public Act 451 of 1994). Under the act, the Department of Natural Resources (DNR) may designate portions of state-owned land as 'surplus land', and sell that land with certain conditions. Proceeds from the sale of the surplus land are deposited into the Land Exchange Facilitation Fund, which is used to purchase land for natural resources management, administration, and public recreation.

The bill would direct a portion of the proceeds from the sale of certain state surplus land to the Delinquent Property Tax Administration Fund. Under the bill, if surplus land that has been sold under subpart 10, part 21 of the act was previously withheld from sale by the director of the DNR, pursuant to the General Property Tax Act, the purchaser would pay, in addition to the purchase price, \$10 per parcel and 5 percent of the purchase price, which would be deposited by the state treasurer into the Delinquent Property Tax Administration Fund. Proceeds from the sale would be paid to the state and the county, local unit of government, or school district in which the surplus land is located on a prorated basis based on the interests in the land due to a failure to pay property taxes and special assessments. In addition, the DNR would be permitted to deduct from the proceeds, the reasonable costs for maintaining the land, though not exceeding 25 percent of the proceeds.

[Note: The provisions of the bill are substantially similar to section 131 of the General Property Tax Act (MCL 211.131), which is repealed by Public Act 123 of 1999 effective December 31, 2006.]

MCL 324.2132

Analyst: M. Wolf

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