

HOUSE BILL No. 6074

May 17, 2006, Introduced by Reps. Sheltroun, Cushingberry, Dillon and Vagnozzi and referred to the Committee on Tax Policy.

A bill to amend 2000 PA 261, entitled
"Agricultural property recapture act,"
by amending section 3 (MCL 211.1003).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Beginning January 1, 2001, the agricultural
2 property recapture tax provided under section 4 is imposed as
3 provided in this section if the property meets all of the following
4 conditions:

5 (a) The property was transferred after December 31, 1999.

6 (b) The taxable value of the property was not adjusted under
7 section 27a(3) of the general property tax act, 1893 PA 206, MCL
8 211.27a, after the transfer described in subdivision (a) due to the
9 provisions of section ~~27a(7)(n)~~ **27A(7)(O)** of the general property
10 tax act, 1893 PA 206, MCL 211.27a.

1 (c) The property is converted by a change in use after
2 December 31, 2000.

3 (2) If a recapture tax is imposed because qualified
4 agricultural property is converted by a change in use described
5 under section 2(c)(i), the recapture tax is the obligation of the
6 person who owned the property at the time the property was
7 converted by a change in use. If a recapture tax is imposed on the
8 owner of the property under this subsection, the recapture tax is a
9 lien on the property subject to the recapture tax until paid. If
10 the recapture tax is not paid within 90 days of the date the
11 property was converted by a change in use, the treasurer may bring
12 a civil action against the owner of the property as of the date the
13 property was converted by a change in use. If the recapture tax
14 remains unpaid on the March 1 in the year immediately succeeding
15 the year in which the property is converted by a change in use, the
16 property on which the recapture tax is due shall be returned as
17 delinquent to the county treasurer of the county in which the
18 property is located. Property returned as delinquent under this
19 section, and upon which the recapture tax, interest, penalties, and
20 fees remain unpaid after the property is returned as delinquent to
21 the county treasurer, is subject to forfeiture, foreclosure, and
22 sale for the enforcement and collection of the delinquent taxes as
23 provided in sections 78 to 79a of the general property tax act,
24 1893 PA 206, MCL 211.78 to 211.79a.

25 (3) If a recapture tax is imposed because qualified
26 agricultural property is converted by a change in use as described
27 in section 2(c)(ii), the recapture tax is an obligation of the

1 person who owned the property prior to the transfer and the
2 recapture tax is due when the instruments transferring the property
3 are recorded with the register of deeds. The register of deeds
4 shall not record an instrument transferring the property before the
5 recapture tax is paid.

6 Enacting section 1. This amendatory act does not take effect
7 unless Senate Bill No.____ or House Bill No. 6073(request no.
8 06353'06) of the 93rd Legislature is enacted into law.