

SUBSTITUTE FOR
SENATE BILL NO. 972

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 44 (MCL 211.44), as amended by 2011 PA 126.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44. (1) Upon receipt of the tax roll, the township
2 treasurer or other collector shall proceed to collect the taxes.
3 The township treasurer or other collector shall mail to each
4 taxpayer at the taxpayer's last known address on the tax roll or to
5 the taxpayer's designated agent a statement showing the description
6 of the property against which the tax is levied, the taxable value
7 of the property, ~~and~~ the amount of the tax on the property, **AND,**
8 **FOR PROPERTY RETURNED TO THE COUNTY TREASURER FOR DELINQUENT TAXES,**
9 **IN THE YEAR IN WHICH THE PROPERTY IS RETURNED TO THE COUNTY**
10 **TREASURER FOR DELINQUENT TAXES ONLY, NOTICE OF THE FACT THAT AS OF**

Senate Bill No. 972 (S-1) as amended December 4, 2012

1 MARCH 1 THERE WERE DELINQUENT TAXES ON THE PROPERTY, THAT THOSE
2 DELINQUENT TAXES WERE RETURNED TO THE COUNTY TREASURER FOR
3 COLLECTION, AND CONTACT INFORMATION FOR THE COUNTY TREASURER. [HOWEVER,
IF NOT LATER THAN 2 WEEKS BEFORE THE TAX BILL IS FINALIZED, A LOCAL TAX
COLLECTING UNIT RECEIVES FROM THE COUNTY NOTICE THAT PREVIOUSLY
DELINQUENT TAXES ON A PARCEL OF PROPERTY ARE NO LONGER DELINQUENT, THE
STATEMENT FOR THAT PROPERTY UNDER THIS SUBSECTION IS NOT REQUIRED TO
INCLUDE NOTICE OF THE FACT THAT AS OF MARCH 1 THERE WERE DELINQUENT TAXES
ON THE PROPERTY, THAT THOSE DELINQUENT TAXES WERE RETURNED TO THE COUNTY
TREASURER FOR COLLECTION, AND CONTACT INFORMATION FOR THE COUNTY
TREASURER.] If a

4 tax statement is mailed to the taxpayer, a tax statement sent to a
5 taxpayer's designated agent may be in a summary form or may be in
6 an electronic data processing format. If the tax statement
7 information is provided to both a taxpayer and the taxpayer's
8 designated agent, the tax statement mailed to the taxpayer may be
9 identified as an informational copy. A township treasurer or other
10 collector electing to send a tax statement to a taxpayer's
11 designated agent or electing not to include an itemization in the
12 manner described in subsection (10)(d) in a tax statement mailed to
13 the taxpayer shall, upon request, mail a detailed copy of the tax
14 statement, including an itemization of the amount of tax in the
15 manner described by subsection (10)(d), to the taxpayer without
16 charge.

17 (2) The expense of preparing and mailing the statement shall
18 be paid from the county, township, city, or village funds. Failure
19 to send or receive the notice does not prejudice the right to
20 collect or enforce the payment of the tax. The township treasurer
21 shall remain in the office of the township treasurer at some
22 convenient place in the township from 9 a.m. to 5 p.m. to receive
23 taxes on the following days:

24 (a) At least 1 business day between December 25 and December
25 31 unless the township has an arrangement with a local financial
26 institution to receive taxes on behalf of the township treasurer
27 and to forward that payment to the township on the next business

1 day. The township shall provide timely notification of which
2 financial institutions will receive taxes for the township and
3 which days the treasurer will be in the office to receive taxes.

4 (b) The last day that taxes are due and payable before being
5 returned as delinquent under section 78a(2).

6 (c) For the collection of a summer tax levy, the last day
7 taxes are due and payable before interest is added under section
8 44a(5).

9 (3) Except as provided by subsection (7), on a sum voluntarily
10 paid before February 15 of the succeeding year, the local property
11 tax collecting unit shall add a property tax administration fee of
12 not more than 1% of the total tax bill per parcel. However, unless
13 otherwise provided for by an agreement between the assessing unit
14 and the collecting unit, if a local property tax collecting unit
15 other than a village does not also serve as the local assessing
16 unit, the excess of the amount of property tax administration fees
17 over the expense to the local property tax collecting unit in
18 collecting the taxes, but not less than 80% of the fee imposed,
19 shall be returned to the local assessing unit. A property tax
20 administration fee is defined as a fee to offset costs incurred by
21 a collecting unit in assessing property values, in collecting the
22 property tax levies, and in the review and appeal processes. The
23 costs of any appeals, in excess of funds available from the
24 property tax administration fee, may be shared by any taxing unit
25 only if approved by the governing body of the taxing unit. Except
26 as provided by subsection (7), on all taxes paid after February 14
27 and before taxes are returned as delinquent under section 78a(2)

1 the governing body of a city or township may authorize the
2 treasurer to add to the tax a property tax administration fee to
3 the extent imposed on taxes paid before February 15 and the day
4 that taxes are returned as delinquent under section 78a(2) a late
5 penalty charge equal to 3% of the tax. The governing body of a city
6 or township may waive interest from February 15 to the last day of
7 February on a summer property tax that has been deferred under
8 section 51 or any late penalty charge for the homestead property of
9 a senior citizen, paraplegic, quadriplegic, hemiplegic, eligible
10 serviceperson, eligible veteran, eligible widow or widower, totally
11 and permanently disabled person, or blind person, as those persons
12 are defined in chapter 9 of the income tax act of 1967, 1967 PA
13 281, MCL 206.501 to 206.532, if the person makes a claim before
14 February 15 for a credit for that property provided by chapter 9 of
15 the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if
16 the person presents a copy of the form filed for that credit to the
17 local treasurer, and if the person has not received the credit
18 before February 15. The governing body of a city or township may
19 waive interest from February 15 to the day taxes are returned as
20 delinquent under section 78a(2) on a summer property tax deferred
21 under section 51 or any late penalty charge for a person's property
22 that is subject to a farmland development rights agreement recorded
23 with the register of deeds of the county in which the property is
24 situated as provided in section 36104 of the natural resources and
25 environmental protection act, 1994 PA 451, MCL 324.36104, if the
26 person presents a copy of the development rights agreement or
27 verification that the property is subject to a development rights

1 agreement before February 15. A 4% county property tax
2 administration fee, a property tax administration fee to the extent
3 imposed on and if authorized under subsection (7) for taxes paid
4 before taxes are returned as delinquent under section 78a(2), and
5 interest on the tax at the rate of 1% per month shall be added to
6 taxes collected by the township or city treasurer after the last
7 day taxes are payable before being returned as delinquent under
8 section 78a(2) and before settlement with the county treasurer, and
9 the payment shall be treated as though collected by the county
10 treasurer. If the statements required to be mailed by this section
11 are not mailed before December 31, the treasurer shall not impose a
12 late penalty charge on taxes collected after February 14.

13 (4) The governing body of a local property tax collecting unit
14 may waive all or part of the property tax administration fee or the
15 late penalty charge, or both. A property tax administration fee
16 collected by the township treasurer shall be used only for the
17 purposes for which it may be collected as specified by subsection
18 (3) and this subsection. If the bond of the treasurer, as provided
19 in section 43, is furnished by a surety company, the cost of the
20 bond may be paid by the township from the property tax
21 administration fee.

22 (5) If apprehensive of the loss of personal tax assessed upon
23 the roll, the township treasurer may enforce collection of the tax
24 at any time, and if compelled to seize property or bring an action
25 in December may add, if authorized under subsection (7), a property
26 tax administration fee of not more than 1% of the total tax bill
27 per parcel and 3% for a late penalty charge.

1 (6) Along with taxes returned delinquent to a county
2 treasurer, the amount of the property tax administration fee
3 prescribed by subsection (3) that is imposed and not paid shall be
4 included in the return of delinquent taxes and, when delinquent
5 taxes are distributed by the county treasurer under this act, the
6 delinquent property tax administration fee shall be distributed to
7 the treasurer of the local unit who transmitted the statement of
8 taxes returned as delinquent. Interest imposed upon delinquent
9 property taxes under this act shall also be imposed upon the
10 property tax administration fee and, for purposes of this act other
11 than for the purpose of determining to which local unit the county
12 treasurer shall distribute a delinquent property tax administration
13 fee, any reference to delinquent taxes shall be considered to
14 include the property tax administration fee returned as delinquent
15 for the same property.

16 (7) The local property tax collecting treasurer shall not
17 impose a property tax administration fee, collection fee, or any
18 type of late penalty charge authorized by law or charter unless the
19 governing body of the local property tax collecting unit approves,
20 by resolution or ordinance adopted after December 31, 1982, an
21 authorization for the imposition of a property tax administration
22 fee, collection fee, or any type of late penalty charge provided
23 for by this section or by charter, which authorization shall be
24 valid for all levies that become a lien after the resolution or
25 ordinance is adopted. However, unless otherwise provided for by an
26 agreement between the assessing unit and the collecting unit, a
27 local property tax collecting unit that does not also serve as the

1 assessing unit shall impose a property tax administration fee on
2 each parcel at a rate equal to the rate of the fee imposed for city
3 or township taxes on that parcel.

4 (8) The annual statement required by 1966 PA 125, MCL 565.161
5 to 565.164, or a monthly billing form or mortgagor passbook
6 provided instead of that annual statement shall include a statement
7 to the effect that a taxpayer who was not mailed the tax statement
8 or a copy of the tax statement by the township treasurer or other
9 collector shall receive, upon request and without charge, a copy of
10 the tax statement from the township treasurer or other collector
11 or, if the tax statement has been mailed to the taxpayer's
12 designated agent, from either the taxpayer's designated agent or
13 the township treasurer or other collector. A designated agent who
14 is subject to 1966 PA 125, MCL 565.161 to 565.164, and who has been
15 mailed the tax statement for taxes that became a lien in the
16 calendar year immediately preceding the year in which the annual
17 statement may be required to be furnished shall mail, upon request
18 and without charge to a taxpayer who was not mailed that tax
19 statement or a copy of that tax statement, a copy of that tax
20 statement.

21 (9) For taxes levied after December 31, 2001, if taxes levied
22 on qualified real property remain unpaid on February 15, all of the
23 following shall apply:

24 (a) The unpaid taxes on that qualified real property shall be
25 collected in the same manner as unpaid taxes levied on personal
26 property are collected under this act.

27 (b) Unpaid taxes on qualified real property shall not be

1 returned as delinquent to the county treasurer for forfeiture,
2 foreclosure, and sale under sections 78 to 79a.

3 (c) If a county treasurer discovers that unpaid taxes on
4 qualified real property have been returned as delinquent for
5 forfeiture, foreclosure, and sale under sections 78 to 79a, the
6 county treasurer shall return those unpaid taxes to the appropriate
7 local tax collection unit for collection as provided in subdivision
8 (a).

9 (10) As used in this section:

10 (a) "Designated agent" means an individual, partnership,
11 association, corporation, receiver, estate, trust, or other legal
12 entity that has entered into an escrow account agreement or other
13 agreement with the taxpayer that obligates that individual or legal
14 entity to pay the property taxes for the taxpayer or, if an
15 agreement has not been entered into, that was designated by the
16 taxpayer on a form made available to the taxpayer by the township
17 treasurer and filed with that treasurer. The designation by the
18 taxpayer shall remain in effect until revoked by the taxpayer in a
19 writing filed with the township treasurer. The form made available
20 by the township treasurer shall include a statement that submission
21 of the form allows the treasurer to mail the tax statement to the
22 designated agent instead of to the taxpayer and a statement
23 notifying the taxpayer of his or her right to revoke the
24 designation by a writing filed with the township treasurer.

25 (b) "Qualified real property" means buildings and improvements
26 located upon leased real property that are assessed as real
27 property under section 2(1)(c), except buildings and improvements

1 exempt under section 9f, if the value of the buildings or
2 improvements is not otherwise included in the assessment of the
3 real property.

4 (c) "Taxpayer" means the owner of the property on which the
5 tax is imposed.

6 (d) When describing in subsection (1) that the amount of tax
7 on the property must be shown in the tax statement, "amount of tax"
8 means an itemization by dollar amount of each of the several ad
9 valorem property taxes and special assessments that a person may
10 pay under section 53 and an itemization by millage rate, on either
11 the tax statement or a separate form accompanying the tax
12 statement, of each of the several ad valorem property taxes that a
13 person may pay under section 53. The township treasurer or other
14 collector may replace the itemization described in this subdivision
15 with a statement informing the taxpayer that the itemization of the
16 dollar amount and millage rate of the taxes is available without
17 charge from the local property tax collecting unit.