

# HOUSE BILL No. 4149

January 26, 2011, Introduced by Reps. Denby, Hughes, Rogers and McMillin and referred to the Committee on Local, Intergovernmental, and Regional Affairs.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 78a (MCL 211.78a), as amended by 2008 PA 352.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 78a. (1) For taxes levied after December 31, 1998, all  
2 property returned for delinquent taxes, and upon which taxes,  
3 interest, penalties, and fees remain unpaid after the property is  
4 returned as delinquent to the county treasurers of this state under  
5 this act, is subject to forfeiture, foreclosure, and sale for the  
6 enforcement and collection of the delinquent taxes as provided in  
7 section 78, this section, and sections 78b to 79a. As used in  
8 section 78, this section, and sections 78b to 79a, "taxes" includes  
9 interest, penalties, and fees imposed before the taxes become  
10 delinquent and unpaid special assessments or other assessments that

1 are due and payable up to and including the date of the foreclosure  
2 hearing under section 78k.

3 (2) On March 1 in each year, taxes levied in the immediately  
4 preceding year that remain unpaid shall be returned as delinquent  
5 for collection. However, if the last day in a year that taxes are  
6 due and payable before being returned as delinquent is on a  
7 Saturday, Sunday, or legal holiday, the last day taxes are due and  
8 payable before being returned as delinquent is on the next business  
9 day and taxes levied in the immediately preceding year that remain  
10 unpaid shall be returned as delinquent on the immediately  
11 succeeding business day. Except as otherwise provided in section 79  
12 for certified abandoned property, property delinquent for taxes  
13 levied in the second year preceding the forfeiture under section  
14 78g or in a prior year to which this section applies shall be  
15 forfeited to the county treasurer for the total of the unpaid  
16 taxes, interest, penalties, and fees for those years as provided  
17 under section 78g.

18 (3) A county property tax administration fee of 4% and  
19 interest computed at a noncompounded rate of **NOT MORE THAN 1%** per  
20 month or fraction of a month on the taxes that were originally  
21 returned as delinquent, computed from the date that the taxes  
22 originally became delinquent, shall be added to property returned  
23 as delinquent under this section. A county property tax  
24 administration fee provided for under this subsection shall not be  
25 less than \$1.00. **THE COUNTY BOARD OF COMMISSIONERS, BY RESOLUTION,**  
26 **SHALL DETERMINE THE AMOUNT OF INTEREST TO BE ADDED TO PROPERTY**  
27 **RETURNED AS DELINQUENT UNDER THIS SECTION.**

1           (4) Any person with an unrecorded property interest or any  
2 other person who wishes at any time to receive notice of the return  
3 of delinquent taxes on a parcel of property may pay an annual fee  
4 not to exceed \$5.00 by February 1 to the county treasurer and  
5 specify the parcel identification number, the address of the  
6 property, and the address to which the notice shall be sent.  
7 Holders of any undischarged mortgages wishing to receive notice of  
8 the return of delinquent taxes on a parcel or parcels of property  
9 may provide a list of such parcels in a form prescribed by the  
10 county treasurer and pay an annual fee not to exceed \$1.00 per  
11 parcel to the county treasurer and specify for each parcel the  
12 parcel identification number, the address of the property, and the  
13 address to which the notice should be sent. The county treasurer  
14 shall notify the person or holders of undischarged mortgages if  
15 delinquent taxes on the property or properties are returned within  
16 that year.

17           (5) Notwithstanding any charter provision to the contrary, the  
18 governing body of a local governmental unit that collects  
19 delinquent taxes may establish for any property, by ordinance,  
20 procedures for the collection of delinquent taxes and the  
21 enforcement of tax liens and the schedule for the forfeiture or  
22 foreclosure of delinquent tax liens. The procedures and schedule  
23 established by ordinance shall conform at a minimum to those  
24 procedures and schedules established under sections 78a to 78l,  
25 except that those taxes subject to a payment plan approved by the  
26 treasurer of the local governmental unit as of July 1, 1999 shall  
27 not be considered delinquent if payments are not delinquent under

1 that payment plan.