

**LANDLORD AND TENANT RELATIONSHIPS (EXCERPT)**  
**Act 348 of 1972**

**554.607 Security deposit; permissible uses.**

Sec. 7. A security deposit may be used only for the following purposes:

(a) Reimburse the landlord for actual damages to the rental unit or any ancillary facility that are the direct result of conduct not reasonably expected in the normal course of habitation of a dwelling.

(b) Pay the landlord for all rent in arrearage under the rental agreement, rent due for premature termination of the rental agreement by the tenant and for utility bills not paid by the tenant.

**History:** 1972, Act 348, Eff. Apr. 1, 1973.

**Popular name:** Landlord-Tenant Act