



HOUSE BILL No. 5956

June 7, 1996, Introduced by Rep. Jaye and referred to the Committee on Tax Policy.

A bill to amend Act No. 206 of the Public Acts of 1893,
entitled as amended

"The general property tax act,"

as amended, being sections 211.1 to 211.157 of the Michigan
Compiled Laws, by adding sections 74a and 141a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 206 of the Public Acts of 1893, as
2 amended, being sections 211.1 to 211.157 of the Michigan Compiled
3 Laws, is amended by adding sections 74a and 141a to read as
4 follows:

5 SEC. 74A. (1) THE AMOUNT DUE TO REDEEM A TAX LIEN CERTIFI-
6 CATE ISSUED UNDER SECTION 70 SHALL ACCRUE INTEREST AT THE
7 ADJUSTED PRIME RATE PER ANNUM FOR THE PERIOD BEGINNING 30 DAYS
8 AFTER THE COUNTY TREASURER ISSUES A REDEMPTION CERTIFICATE UNDER

1 SECTION 74 FOR THE PARCEL SUBJECT TO THAT TAX LIEN CERTIFICATE
2 UNTIL THE TAX LIEN HOLDER RECEIVES PAYMENT.

3 (2) THE PERIOD DURING WHICH A TAX LIEN CERTIFICATE REDEMP-
4 TION PAYMENT ACCRUES INTEREST UNDER SUBSECTION (1) INCLUDES THE
5 PERIOD FROM THE DATE PAYMENT IS SENT TO THE TAX LIEN CERTIFICATE
6 HOLDER UNTIL THE TAX LIEN CERTIFICATE HOLDER RECEIVES THAT
7 PAYMENT.

8 (3) AS USED IN THIS SUBSECTION, "ADJUSTED PRIME RATE" MEANS
9 THE AVERAGE PREDOMINANT PRIME RATE QUOTED BY NOT LESS THAN 3 COM-
10 Mercial BANKS TO LARGE BUSINESSES, AS DETERMINED BY THE DEPART-
11 MENT OF TREASURY.

12 SEC. 141A. (1) THE AMOUNT DUE TO THE OWNER OF THE TAX TITLE
13 TO PROPERTY PURSUANT TO A TAX DEED ISSUED UNDER SECTION 72 SHALL
14 ACCRUE INTEREST AT THE ADJUSTED PRIME RATE PER ANNUM FOR THE
15 PERIOD BEGINNING 30 DAYS AFTER THE COUNTY TREASURER RECEIVES PAY-
16 MENT FROM THE PERSON OR PERSONS ENTITLED TO A RELEASE AND QUIT-
17 CLAIM UNDER SECTION 141 FOR THE PARCEL SUBJECT TO THAT TAX DEED
18 UNTIL THE OWNER OF THE TAX TITLE RECEIVES PAYMENT.

19 (2) THE PERIOD DURING WHICH A TAX DEED REDEMPTION PAYMENT
20 ACCRUES INTEREST UNDER SUBSECTION (1) INCLUDES THE PERIOD FROM
21 THE DATE PAYMENT IS SENT TO THE OWNER OF THE TAX TITLE UNTIL THE
22 OWNER OF THE TAX TITLE RECEIVES THAT PAYMENT.

23 (3) AS USED IN THIS SUBSECTION, "ADJUSTED PRIME RATE" MEANS
24 THE AVERAGE PREDOMINANT PRIME RATE QUOTED BY NOT LESS THAN 3 COM-
25 Mercial BANKS TO LARGE BUSINESSES, AS DETERMINED BY THE DEPART-
26 MENT OF TREASURY.