



**House
Legislative
Analysis
Section**

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**BUILDINGS ON LEASED LAND:
DELINQUENT TAXES**

House Bill 5587
Sponsor: Rep. Nancy Cassis
Committee: Tax Policy

Complete to 2-26-02

A SUMMARY OF HOUSE BILL 5587 AS INTRODUCED 2-5-02

Public Act 415 of 2000 (House Bill 4373) amended the General Property Tax Act so that buildings and improvements located on leased land would, generally speaking, be taxed as real property rather than as personal property. That tax treatment applies to taxes levied after December 31, 2002. House Bill 5587, however, would treat such property like personal property for delinquent tax purposes. The bill would amend the General Property Tax Act to specify that, for taxes levied after December 31, 2001, property taxes on buildings and improvements located on leased land that remained unpaid on February 15th would be collected in the same manner as unpaid taxes levied on personal property and would not be returned as delinquent to the county treasurer for forfeiture, foreclosure, and sale under the real property delinquency process.

If a county treasurer discovered that unpaid taxes on buildings and improvements on leased land had been returned as delinquent for forfeiture, foreclosure, and sale, the county treasurer would have to return those unpaid taxes to the appropriate local tax collection unit for collection as if they were unpaid personal property taxes.

MCL 211.44

House Bill 5587 (2-26-02)

Analyst: C. Couch

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