

# HOUSE BILL No. 5587

February 5, 2002, Introduced by Rep. Cassis and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 44 (MCL 211.44), as amended by 2000 PA 364.

**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 tax-  
4 payer at the taxpayer's last known address on the tax roll or to  
5 the taxpayer's designated agent a statement showing the descrip-  
6 tion of the property against which the tax is levied, the taxable  
7 value of the property, and the amount of the tax on the  
8 property. If a tax statement is mailed to the taxpayer, a tax  
9 statement sent to a taxpayer's designated agent may be in a  
10 summary form or may be in an electronic data processing format.  
11 If the tax statement information is provided to both a taxpayer

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1 and the taxpayer's designated agent, the tax statement mailed to  
2 the taxpayer may be identified as an informational copy. A town-  
3 ship treasurer or other collector electing to send a tax state-  
4 ment to a taxpayer's designated agent or electing not to include  
5 an itemization in the manner described in subsection ~~(9)(c)~~  
6 (10)(D) in a tax statement mailed to the taxpayer shall, upon  
7 request, mail a detailed copy of the tax statement, including an  
8 itemization of the amount of tax in the manner described by sub-  
9 section ~~(9)(c)~~ (10)(D), to the taxpayer without charge.

10 (2) The expense of preparing and mailing the statement shall  
11 be paid from the county, township, city, or village funds.  
12 Failure to send or receive the notice does not prejudice the  
13 right to collect or enforce the payment of the tax. The township  
14 treasurer shall remain in the office of the township treasurer at  
15 some convenient place in the township on each Friday in the month  
16 of December, from 9 a.m. to 5 p.m. to receive taxes, but shall  
17 receive taxes upon a weekday when they are offered. However, if  
18 a Friday in the month of December is Christmas eve, Christmas  
19 day, New Year's eve, or a day designated by the township as a  
20 holiday for township employees, the township treasurer is not  
21 required to remain in the office of the township treasurer on  
22 that Friday, but shall remain in the office of the township trea-  
23 surer at some convenient place in the township from 9 a.m. to 5  
24 p.m. on the day most immediately preceding that Friday that is  
25 not Christmas eve, Christmas day, New Year's eve, or a day desig-  
26 nated by the township as a holiday for township employees, to  
27 receive taxes.

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1           (3) Except as provided by subsection (7), on a sum  
2 voluntarily paid before February 15 of the succeeding year, the  
3 local property tax collecting unit shall add a property tax  
4 administration fee of not more than 1% of the total tax bill per  
5 parcel. However, unless otherwise provided for by an agreement  
6 between the assessing unit and the collecting unit, if a local  
7 property tax collecting unit other than a village does not also  
8 serve as the local assessing unit, the excess of the amount of  
9 property tax administration fees over the expense to the local  
10 property tax collecting unit in collecting the taxes, but not  
11 less than 80% of the fee imposed, shall be returned to the local  
12 assessing unit. A property tax administration fee is defined as  
13 a fee to offset costs incurred by a collecting unit in assessing  
14 property values, in collecting the property tax levies, and in  
15 the review and appeal processes. The costs of any appeals, in  
16 excess of funds available from the property tax administration  
17 fee, may be shared by any taxing unit only if approved by the  
18 governing body of the taxing unit. Except as provided by subsec-  
19 tion (7), on all taxes paid after February 14 and before March 1  
20 the governing body of a city or township may authorize the trea-  
21 surer to add to the tax a property tax administration fee to the  
22 extent imposed on taxes paid before February 15 and a late pen-  
23 alty charge equal to 3% of the tax. The governing body of a city  
24 or township may waive interest from February 15 to the last day  
25 of February on a summer property tax that has been deferred under  
26 section 51 or any late penalty charge for the homestead property  
27 of a senior citizen, paraplegic, quadriplegic, hemiplegic,

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1 eligible serviceperson, eligible veteran, eligible widow or  
2 widower, totally and permanently disabled person, or blind  
3 person, as those persons are defined in chapter 9 of the income  
4 tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if the  
5 person makes a claim before February 15 for a credit for that  
6 property provided by chapter 9 of the income tax act of 1967,  
7 1967 PA 281, MCL 206.501 to 206.532, if the person presents a  
8 copy of the form filed for that credit to the local treasurer,  
9 and if the person has not received the credit before  
10 February 15. The governing body of a city or township may waive  
11 interest from February 15 to the last day of February on a summer  
12 property tax deferred under section 51 or any late penalty charge  
13 for a person's property that is subject to a farmland development  
14 rights agreement recorded with the register of deeds of the  
15 county in which the property is situated as provided in section  
16 36104 of the natural resources and environmental protection act,  
17 1994 PA 451, MCL 324.36104, if the person presents a copy of the  
18 development rights agreement or verification that the property is  
19 subject to a development rights agreement before February 15. A  
20 4% county property tax administration fee, a property tax admin-  
21 istration fee to the extent imposed on and if authorized under  
22 subsection (7) for taxes paid before March 1, and interest on the  
23 tax at the rate of 1% per month shall be added to taxes collected  
24 by the township or city treasurer after the last day of February  
25 and before settlement with the county treasurer, and the payment  
26 shall be treated as though collected by the county treasurer. If  
27 the statements required to be mailed by this section are not

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1 mailed before December 31, the treasurer shall not impose a late  
2 penalty charge on taxes collected after February 14.

3 (4) The governing body of a local property tax collecting  
4 unit may waive all or part of the property tax administration fee  
5 or the late penalty charge, or both. A property tax administra-  
6 tion fee collected by the township treasurer shall be used only  
7 for the purposes for which it may be collected as specified by  
8 subsection (3) and this subsection. If the bond of the treasur-  
9 er, as provided in section 43, is furnished by a surety company,  
10 the cost of the bond may be paid by the township from the prop-  
11 erty tax administration fee.

12 (5) If apprehensive of the loss of personal tax assessed  
13 upon the roll, the township treasurer may enforce collection of  
14 the tax at any time, and if compelled to seize property or bring  
15 an action in December may add, if authorized under  
16 subsection (7), a property tax administration fee of not more  
17 than 1% of the total tax bill per parcel and 3% for a late pen-  
18 alty charge.

19 (6) Along with taxes returned delinquent to a county trea-  
20 surer under section 55, the amount of the property tax adminis-  
21 tration fee prescribed by subsection (3) that is imposed and not  
22 paid shall be included in the return of delinquent taxes and,  
23 when delinquent taxes are distributed by the county treasurer  
24 under this act, the delinquent property tax administration fee  
25 shall be distributed to the treasurer of the local unit who  
26 transmitted the statement of taxes returned as delinquent.  
27 Interest imposed upon delinquent property taxes under this act

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1 shall also be imposed upon the property tax administration fee  
2 and, for purposes of this act other than for the purpose of  
3 determining to which local unit the county treasurer shall dis-  
4 tribute a delinquent property tax administration fee, any refer-  
5 ence to delinquent taxes shall be considered to include the prop-  
6 erty tax administration fee returned as delinquent for the same  
7 property.

8       (7) The local property tax collecting treasurer shall not  
9 impose a property tax administration fee, collection fee, or any  
10 type of late penalty charge authorized by law or charter unless  
11 the governing body of the local property tax collecting unit  
12 approves, by resolution or ordinance adopted after  
13 December 31, 1982, an authorization for the imposition of a prop-  
14 erty tax administration fee, collection fee, or any type of late  
15 penalty charge provided for by this section or by charter, which  
16 authorization shall be valid for all levies that become a lien  
17 after the resolution or ordinance is adopted. However, unless  
18 otherwise provided for by an agreement between the assessing unit  
19 and the collecting unit, a local property tax collecting unit  
20 that does not also serve as the assessing unit shall impose a  
21 property tax administration fee on each parcel at a rate equal to  
22 the rate of the fee imposed for city or township taxes on that  
23 parcel.

24       (8) The annual statement required by 1966 PA 125, MCL  
25 565.161 to 565.164, or a monthly billing form or mortgagor pass-  
26 book provided instead of that annual statement shall include a  
27 statement to the effect that a taxpayer who was not mailed the

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1 tax statement or a copy of the tax statement by the township  
2 treasurer or other collector shall receive, upon request and  
3 without charge, a copy of the tax statement from the township  
4 treasurer or other collector or, if the tax statement has been  
5 mailed to the taxpayer's designated agent, from either the  
6 taxpayer's designated agent or the township treasurer or other  
7 collector. A designated agent who is subject to 1966 PA 125, MCL  
8 565.161 to 565.164, and who has been mailed the tax statement for  
9 taxes that became a lien in the calendar year immediately preced-  
10 ing the year in which the annual statement may be required to be  
11 furnished shall mail, upon request and without charge to a tax-  
12 payer who was not mailed that tax statement or a copy of that tax  
13 statement, a copy of that tax statement.

14 (9) FOR TAXES LEVIED AFTER DECEMBER 31, 2001, IF TAXES  
15 LEVIED ON QUALIFIED REAL PROPERTY REMAIN UNPAID ON FEBRUARY 15,  
16 ALL OF THE FOLLOWING SHALL APPLY:

17 (A) THE UNPAID TAXES ON THAT QUALIFIED REAL PROPERTY SHALL  
18 BE COLLECTED IN THE SAME MANNER AS UNPAID TAXES LEVIED ON PER-  
19 SONAL PROPERTY ARE COLLECTED UNDER THIS ACT.

20 (B) UNPAID TAXES ON QUALIFIED REAL PROPERTY SHALL NOT BE  
21 RETURNED AS DELINQUENT TO THE COUNTY TREASURER FOR FORFEITURE,  
22 FORECLOSURE, AND SALE UNDER SECTIONS 78 TO 79A.

23 (C) IF A COUNTY TREASURER DISCOVERS THAT UNPAID TAXES ON  
24 QUALIFIED REAL PROPERTY HAVE BEEN RETURNED AS DELINQUENT FOR FOR-  
25 FEITURE, FORECLOSURE, AND SALE UNDER SECTIONS 78 TO 79A, THE  
26 COUNTY TREASURER SHALL RETURN THOSE UNPAID TAXES TO THE

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1 APPROPRIATE LOCAL TAX COLLECTION UNIT FOR COLLECTION AS PROVIDED  
2 IN SUBDIVISION (A).

3 (10) ~~(9)~~ As used in this section:

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

19 (B) "QUALIFIED REAL PROPERTY" MEANS BUILDINGS AND IMPROVE-  
20 MENTS LOCATED UPON LEASED REAL PROPERTY THAT ARE ASSESSED AS REAL  
21 PROPERTY UNDER SECTION 2(1)(C), EXCEPT BUILDINGS AND IMPROVEMENTS  
22 EXEMPT UNDER SECTION 9F, IF THE VALUE OF THE BUILDINGS OR  
23 IMPROVEMENTS IS NOT OTHERWISE INCLUDED IN THE ASSESSMENT OF THE  
24 REAL PROPERTY.

25 (C) ~~(b)~~ "Taxpayer" means the owner of the property on  
26 which the tax is imposed.



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