

HOUSE BILL No. 5032

August 13, 2003, Introduced by Reps. Moolenaar, Walker, Palsrok and Emmons and referred to the Committee on Land Use and Environment.

A bill to amend 2000 PA 261, entitled
"Agricultural property recapture act,"
by amending sections 3 and 6 (MCL 211.1003 and 211.1006).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Beginning January 1, 2001, the agricultural
2 property recapture tax provided under section 4 is imposed as
3 provided in this section if the property meets all of the
4 following conditions:

5 (a) The property was transferred after December 31, 1999.

6 (b) The taxable value of the property was not adjusted under
7 section 27a(3) of the general property tax act, 1893 PA 206,
8 MCL 211.27a, after the transfer described in subdivision (a) due
9 to the provisions of section 27a(7)(n) of the general property
10 tax act, 1893 PA 206, MCL 211.27a.

11 (c) The property is converted by a change in use after

1 December 31, 2000.

2 (d) The property is not land that is subject to a specific
3 tax under part 363 of the natural resources and environmental
4 protection act, 1994 PA 451, MCL 324.36301 to 324.36317, when it
5 is converted by a change of use.

6 (2) If a recapture tax is imposed because qualified
7 agricultural property is converted by a change in use described
8 under section 2(c)(i), the recapture tax is the obligation of the
9 person who owned the property at the time the property was
10 converted by a change in use. If a recapture tax is imposed on
11 the owner of the property under this subsection, the recapture
12 tax is a lien on the property subject to the recapture tax until
13 paid. If the recapture tax is not paid within 90 days of the
14 date the property was converted by a change in use, the treasurer
15 may bring a civil action against the owner of the property as of
16 the date the property was converted by a change in use. If the
17 recapture tax remains unpaid on the March 1 in the year
18 immediately succeeding the year in which the property is
19 converted by a change in use, the property on which the recapture
20 tax is due shall be returned as delinquent to the county
21 treasurer of the county in which the property is located.
22 Property returned as delinquent under this section, and upon
23 which the recapture tax, interest, penalties, and fees remain
24 unpaid after the property is returned as delinquent to the county
25 treasurer, is subject to forfeiture, foreclosure, and sale for
26 the enforcement and collection of the delinquent taxes as
27 provided in sections 78 to 79a of the general property tax act,

1 1893 PA 206, MCL 211.78 to 211.79a.

2 (3) If a recapture tax is imposed because qualified
3 agricultural property is converted by a change in use as
4 described in section 2(c)(ii), the recapture tax is an obligation
5 of the person who owned the property prior to the transfer and
6 the recapture tax is due when the instruments transferring the
7 property are recorded with the register of deeds. The register
8 of deeds shall not record an instrument transferring the property
9 before the recapture tax is paid.

10 Sec. 6. The treasurer shall credit the proceeds of the
11 recapture tax collected by county treasurers under this act to
12 the ~~fund in which the proceeds from lien payments made under~~
13 ~~part 361 of the natural resources and environmental protection~~
14 ~~act, 1994 PA 451, MCL 324.36101 to 324.36117, are deposited~~
15 **agricultural preservation fund created in section 36202 of the**
16 **natural resources and environmental protection act, 1994 PA 451,**
17 **MCL 324.36202.**

18 Enacting section 1. This amendatory act does not take
19 effect unless Senate Bill No. ____ or House Bill No. 5030
20 (request no. 03047'03) of the 92nd Legislature is enacted into
21 law.