

# HOUSE BILL No. 6761

December 3, 2008, Introduced by Rep. Clemente and referred to the Committee on New Economy and Quality of Life.

A bill to amend 2003 PA 260, entitled  
"Tax reverted clean title act,"  
by amending sections 4 and 5 (MCL 211.1024 and 211.1025).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 4. (1) Not later than December 31 of each year, an  
2 authority shall provide a list of all property sold by the  
3 authority in that calendar year to the assessor of each local tax  
4 collecting unit in which the property sold by the authority is  
5 located.

6           (2) The assessor of each local tax collecting unit in which  
7 there is eligible tax reverted property shall determine annually as  
8 of December 31 the **TRUE CASH** value and taxable value of each parcel  
9 of eligible tax reverted property and shall furnish that

1 information to the legislative body of the local tax collecting  
2 unit.

3 Sec. 5. (1) There is levied upon every owner of eligible tax  
4 reverted property a specific tax to be known as the eligible tax  
5 reverted property specific tax.

6 (2) The amount of the eligible tax reverted property specific  
7 tax in each year is the amount of tax that would have been  
8 collected on that parcel under the general property tax act, 1893  
9 PA 206, MCL 211.1 to ~~211.157~~ **211.155**, if that parcel was not exempt  
10 under section 3. An owner of eligible tax reverted property that is  
11 a principal residence may claim an exemption for that portion of  
12 the specific tax attributable to the tax levied by a local school  
13 district for school operating purposes to the extent provided under  
14 section 1211 of the revised school code, 1976 PA 451, MCL 380.1211,  
15 if an owner of that eligible tax reverted property claims or has  
16 claimed an exemption for the property **AS A PRINCIPAL RESIDENCE** as  
17 provided in section 7cc of the general property tax act, 1893 PA  
18 206, MCL 211.7cc.

19 (3) Except as otherwise provided in section 6, the eligible  
20 tax reverted property specific tax shall be collected, disbursed,  
21 and assessed in accordance with this act.

22 (4) The eligible tax reverted property specific tax is an  
23 annual tax, payable at the same times, in the same installments,  
24 and to the same officer or officers as taxes imposed under the  
25 general property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~  
26 **211.155**, and the state education tax act, 1993 PA 331, MCL 211.901  
27 to 211.906, are payable. Except as otherwise provided in this

1 section, the officer or officers shall disburse the eligible tax  
2 reverted property specific tax payments received by the officer or  
3 officers each year as follows:

4 (a) Fifty percent of the eligible tax reverted property  
5 specific tax to and among this state and cities, townships,  
6 villages, school districts, counties, or other taxing units, at the  
7 same times and in the same proportions as required by law for the  
8 disbursement of taxes collected under the general property tax act,  
9 1893 PA 206, MCL 211.1 to ~~211.157~~**211.155**.

10 (b) Fifty percent of the eligible tax reverted property  
11 specific tax to the authority that sold or otherwise conveyed the  
12 property under the land bank fast track act, **2003 PA 258, MCL**  
13 **124.751 TO 124.774**, which sale or conveyance caused the property to  
14 be eligible tax reverted property. The eligible tax reverted  
15 property specific tax disbursed under this subdivision shall only  
16 be used by the authority for 1 or more of the following:

17 (i) For the purposes authorized under the land bank fast track  
18 act, including, but not limited to, costs to clear, quiet, or  
19 defend title to property held by the authority.

20 (ii) To repay a loan made to the authority under section 2f of  
21 1855 PA 105, MCL 21.142f.

22 (5) For intermediate school districts receiving state aid  
23 under sections 56, 62, and 81 of the state school aid act of 1979,  
24 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of  
25 eligible tax reverted property specific tax that would otherwise be  
26 disbursed to an intermediate school district, all or a portion, to  
27 be determined on the basis of the tax rates being utilized to

1 compute the amount of state aid, shall be paid to the state  
2 treasury to the credit of the state school aid fund established by  
3 section 11 of article IX of the state constitution of 1963.

4 (6) The amount of eligible tax reverted property specific tax  
5 described in subsection (2) that would otherwise be disbursed to a  
6 local school district for school operating purposes shall be paid  
7 instead to the state treasury and credited to the state school aid  
8 fund established by section 11 of article IX of the state  
9 constitution of 1963.

10 (7) The officer or officers shall send a copy of the amount of  
11 disbursement made to each unit under this section to the commission  
12 on a form provided by the commission.

13 (8) Eligible tax reverted property located in a renaissance  
14 zone under the Michigan renaissance zone act, 1996 PA 376, MCL  
15 125.2681 to 125.2696, is exempt from the eligible tax reverted  
16 property specific tax levied under this act to the extent and for  
17 the duration provided pursuant to the Michigan renaissance zone  
18 act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion  
19 of the eligible tax reverted property specific tax attributable to  
20 a tax described in section 7ff(2) of the general property tax act,  
21 1893 PA 206, MCL 211.7ff. The eligible tax reverted property  
22 specific tax calculated under this subsection shall be disbursed  
23 proportionately to the taxing unit or units that levied the tax  
24 described in section 7ff(2) of the general property tax act, 1893  
25 PA 206, MCL 211.7ff.