

PRINCIPAL SHOPPING DISTRICTS AND BUSINESS IMPROVEMENT DISTRICTS (EXCERPT)
Act 120 of 1961

125.990h Assessments.

Sec. 10h.

(1) A business improvement zone may be funded in whole or in part by 1 or more assessments on assessable property, as provided in the zone plan. An assessment under this chapter is in addition to any taxes or special assessments otherwise imposed on assessable property. The business improvement zone, with the approval of the board, may enter into agreements with 1 or more property owners in the city or village providing for the provision of business zone activities or services to the property owner or owners by the business improvement zone in exchange for monetary contributions to the business improvement zone from the property owner or owners. An agreement providing for the provision of business zone activities or services described in this subsection must be in writing and must be made available to all property owners of assessable property in the zone area.

(2) An assessment may be imposed against assessable property only on the basis of the benefits to assessable property afforded by the zone plan. There is a rebuttable presumption that a zone plan and any project specially benefits all assessable property in a zone area.

(3) If a zone plan provides for an assessment, the treasurer of the city or village in which the zone area is located as an agent of the business improvement zone shall collect the assessment imposed by the board under the zone plan on all assessable property within the zone area in the amount authorized by the zone plan.

(4) The treasurer of the city or village in which the zone area is located, as an agent of the business improvement zone, shall collect the assessments from each property owner within the zone area and promptly remit the assessments collected to the business improvement zone. Assessment revenue is the property of the business improvement zone and not the city or village in which the business improvement zone is located. However, all payments to the treasurer shall be entirely applied first to the balance of any property taxes owed to the city or village and only then any remaining payment amount shall be considered assessment revenue belonging to the business improvement zone and applied to the assessment levied under this chapter. The business improvement zone may, at the option and under the direction of the treasurer, assist the treasurer of the city or village in collecting the assessment to minimize the expenses of collecting the assessment incurred by the city or village.

(5) The business improvement zone may institute a civil action to collect any delinquent assessment and interest.

(6) An assessment is delinquent if it has not been paid within 90 days after it was due as provided under the zone plan imposed under this chapter. Except as otherwise provided in subsection (7), the business improvement zone shall collect delinquent assessments. Delinquent assessments accrue interest at a rate of 1.5% per month until paid.

(7) If any portion of the assessment has not been paid within 90 days after it was due, that portion of the unpaid assessment is a lien on the property. The lien amount is for the unpaid portion of the assessment and includes any applicable interest. Alternatively, a delinquent and unpaid assessment may, at the request of the business improvement zone, be returned as delinquent by the treasurer of the city or village and collected in the same manner as a delinquent tax special assessment along with any associated interest, fees, and costs under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155. However, property is not subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a, for nonpayment of an assessment under this chapter unless the property also is subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a, for delinquent property taxes. If a parcel of assessable property that has a delinquent and unpaid assessment is sold to a purchaser who is not related or affiliated to the seller, as determined by the board, the board may reduce or eliminate any delinquent and unpaid assessment on that parcel of assessable property if the property is not subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a. If the delinquent property taxes are paid, the property may not be forfeited, foreclosed, and sold for an unpaid assessment under this chapter.

History: Add. 2001, Act 260, Eff. Mar. 1, 2002 ;-- Am. 2013, Act 126, Imd. Eff. Oct. 9, 2013 ;-- Am. 2020, Act 91, Imd. Eff. June 16, 2020 ;-- Am. 2023, Act 80, Eff. Feb. 13, 2024

Popular Name: Shopping Areas Redevelopment Act