

SENATE BILL NO. 725

January 21, 2020, Introduced by Senators RUNESTAD, JOHNSON, BIZON, CHANG, GEISS, LUCIDO, BARRETT, ALEXANDER, SANTANA and HOLLIER and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 78b, 78c, and 78f (MCL 211.78b, 211.78c, and 211.78f), sections 78b and 78c as amended by 2015 PA 202 and section 78f as amended by 2015 PA 190.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 78b. Except as otherwise provided in section 79 for
2 certified abandoned property, on or within 60 days before the June
3 1 immediately succeeding the date that unpaid taxes are returned to
4 the county treasurer as delinquent under section 78a, the county

1 treasurer shall send notice of all the following by first-class
2 mail, address correction requested, to the person to whom a tax
3 bill for property returned for delinquent taxes was last sent or to
4 the person identified as the owner of property returned for
5 delinquent taxes, to a person entitled to notice of the return of
6 delinquent taxes under section 78a(4), and to a person to whom a
7 tax certificate for property returned for delinquent taxes was
8 issued under former section 71, as shown on the current records of
9 the county treasurer:

10 (a) The date property on which unpaid taxes were returned as
11 delinquent will be forfeited to the county treasurer for those
12 unpaid delinquent taxes, interest, penalties, and fees, **along with**
13 **a statement that payment plans may be available to avoid forfeiture**
14 **and foreclosure proceedings.**

15 (b) A statement that a person who holds a legal interest in
16 the property may lose that interest as a result of the forfeiture
17 and subsequent foreclosure proceeding.

18 (c) A legal description or parcel number of the property and
19 the street address of the property, if available.

20 (d) The person or persons to whom the notice is addressed.

21 (e) The unpaid delinquent taxes, interest, penalties, and fees
22 due on the property, **and, for property that is a principal**
23 **residence exempt from the tax levied by a local school district for**
24 **school operating purposes under section 7cc, a schedule of all**
25 **additional interest, penalties, and fees that will accrue through**
26 **the immediately succeeding March 1 under the provisions of this act**
27 **relating to the return, forfeiture, and foreclosure of property for**
28 **delinquent taxes if no payment is made by that March 1 toward**
29 **delinquent taxes, interest, penalties, and fees due on the**

1 **property.**

2 (f) A statement that unless those unpaid delinquent taxes,
3 interest, penalties, and fees are paid on or before the March 31
4 immediately succeeding the entry in an uncontested case of a
5 judgment foreclosing the property under section 78k, absolute title
6 to the property ~~shall~~**will** vest in the foreclosing governmental
7 unit.

8 (g) A statement of the person's rights of redemption and
9 notice that the rights of redemption will expire on the March 31
10 immediately succeeding the entry in an uncontested case of a
11 judgment foreclosing the property under section 78k.

12 **(h) A statement warning that a payment submitted to the local**
13 **tax collecting unit, rather than the county treasurer, may not be**
14 **applied to the delinquent amount and may not prevent foreclosure.**

15 **(i) A statement in bold type not smaller than 12-point font**
16 **providing contact information for an individual in the county**
17 **treasurer's office with whom a taxpayer may discuss options for**
18 **delinquent property tax installment payment plans, tax foreclosure**
19 **avoidance agreements, or any other means by which the taxpayer may**
20 **be able to prevent additional interest, penalties, and fees from**
21 **accruing and avoid foreclosure.**

22 Sec. 78c. Except as otherwise provided in section 79 for
23 certified abandoned property, on or within 60 days before the
24 September 1 immediately succeeding the date that unpaid taxes are
25 returned to the county treasurer as delinquent under section 78a,
26 the county treasurer shall send notice of all the following by
27 first-class mail, address correction requested, to the person to
28 whom a tax bill for property returned for delinquent taxes was last
29 sent or to the person identified as the owner of property returned

1 for delinquent taxes, to a person entitled to notice of the return
2 of delinquent taxes under section 78a(4), and to a person to whom a
3 tax certificate for property returned for delinquent taxes was
4 issued under former section 71, as shown on the current records of
5 the county treasurer:

6 (a) The date property on which unpaid taxes were returned as
7 delinquent will be forfeited to the county treasurer for those
8 unpaid delinquent taxes, interest, penalties, and fees, **along with**
9 **a statement that payment plans may be available to avoid forfeiture**
10 **and foreclosure proceedings.**

11 (b) A statement that a person who holds a legal interest in
12 the property may lose that interest as a result of the forfeiture
13 and subsequent foreclosure proceeding.

14 (c) A legal description or parcel number of the property and
15 the street address of the property, if available.

16 (d) The person or persons to whom the notice is addressed.

17 (e) The unpaid delinquent taxes, interest, penalties, and fees
18 due on the property, **and a schedule of all additional interest,**
19 **penalties, and fees that will accrue through the immediately**
20 **succeeding March 1 under the provisions of this act relating to the**
21 **return, forfeiture, and foreclosure of property for delinquent**
22 **taxes if no payment is made by that March 1 toward delinquent**
23 **taxes, interest, penalties, and fees due on the property.**

24 (f) A schedule of the additional fees that will accrue on the
25 immediately succeeding October 1 under section 78d if the unpaid
26 delinquent taxes, interest, penalties, and fees due on the property
27 are not paid.

28 (g) A statement that unless those unpaid delinquent taxes,
29 interest, penalties, and fees are paid on or before the March 31

1 immediately succeeding the entry in an uncontested case of a
2 judgment foreclosing the property under section 78k, absolute title
3 to the property ~~shall~~**will** vest in the foreclosing governmental
4 unit.

5 (h) A statement of the person's rights of redemption and
6 notice that the rights of redemption will expire on the March 31
7 immediately succeeding the entry in an uncontested case of a
8 judgment foreclosing the property under section 78k.

9 **(i) A statement warning that a payment submitted to the local**
10 **tax collecting unit, rather than the county treasurer, may not be**
11 **applied to the delinquent amount and may not prevent foreclosure.**

12 **(j) A statement in bold type not smaller than 12-point font**
13 **providing contact information for an individual in the county**
14 **treasurer's office with whom a taxpayer may discuss options for**
15 **delinquent property tax installment payment plans, tax foreclosure**
16 **avoidance agreements, or any other means by which the taxpayer may**
17 **be able to prevent additional interest, penalties, and fees from**
18 **accruing and avoid foreclosure.**

19 Sec. 78f. (1) Except as otherwise provided in section 79 for
20 certified abandoned property, not later than the February 1
21 immediately succeeding the date that unpaid taxes were returned to
22 the county treasurer for forfeiture, foreclosure, and sale under
23 section 60a(1) or (2) or returned to the county treasurer as
24 delinquent under section 78a, the county treasurer shall send a
25 notice by certified mail, return receipt requested, to the person
26 to whom a tax bill for property returned for delinquent taxes was
27 last sent and, if different, to the person identified as the owner
28 of property returned for delinquent taxes as shown on the current
29 records of the county treasurer and to those persons identified

1 under section 78e(2). The notice required under this subsection
 2 ~~shall~~**must** include all of the following:

3 (a) The date property on which those unpaid taxes were
 4 returned as delinquent will be forfeited to the county treasurer
 5 for the unpaid delinquent taxes, interest, penalties, and fees.

6 (b) A statement that a person who holds a legal interest in
 7 the property may lose that interest as a result of the forfeiture
 8 and subsequent foreclosure proceeding.

9 (c) A legal description or parcel number of the property and
 10 the street address of the property, if available.

11 (d) The person to whom the notice is addressed.

12 (e) The unpaid delinquent taxes, interest, penalties, and fees
 13 due on the property.

14 (f) A schedule of the additional interest, penalties, and fees
 15 that will accrue on the immediately succeeding March 1 ~~pursuant to~~
 16 **under** section 78g if those unpaid delinquent taxes, interest,
 17 penalties, and fees due on the property are not paid.

18 (g) A statement that unless those unpaid delinquent taxes,
 19 interest, penalties, and fees are paid on or before the March 31
 20 immediately succeeding the entry in an uncontested case of a
 21 judgment foreclosing the property under section 78k, absolute title
 22 to the property ~~shall~~**will** vest in the foreclosing governmental
 23 unit.

24 (h) A statement of the person's rights of redemption and
 25 notice that the rights of redemption will expire on the March 31
 26 immediately succeeding the entry in an uncontested case of a
 27 judgment foreclosing the property under section 78k.

28 (i) **A statement warning that a payment submitted to the local**
 29 **tax collecting unit, rather than the county treasurer, may not be**

1 applied to the delinquent amount and may not prevent foreclosure.

2 (j) A statement in bold type not smaller than 12-point font
3 providing contact information for an individual in the county
4 treasurer's office with whom a taxpayer may discuss options for
5 delinquent property tax installment payment plans, tax foreclosure
6 avoidance agreements, or any other means by which the taxpayer may
7 be able to prevent additional interest, penalties, and fees from
8 accruing and avoid foreclosure.

9 (2) The notice required under subsection (1) ~~shall~~**must** also
10 be mailed to the property by first-class mail, addressed to
11 "occupant", if the notice was not sent to the occupant of the
12 property ~~pursuant to~~**under** subsection (1).

13 (3) A county treasurer may insert 1 or more additional notices
14 in a notice publication circulated in the county in which the
15 property is located. If no notice publication is circulated in the
16 county in which the property is located, the county treasurer may
17 insert 1 or more additional notices in a notice publication
18 circulated in an adjoining county. Additionally, a county treasurer
19 may post 1 or more additional notices on a website, including, but
20 not limited to, a website maintained by the county treasurer.

21 (4) The county treasurer may insert in a notice publication
22 circulated in the county in which the property is located, notice
23 of the street address, if available, of property subject to
24 forfeiture under section 78g on the immediately succeeding March 1
25 for delinquent taxes or the street address, if available, of
26 property subject to forfeiture under section 78g on the immediately
27 succeeding March 1 for delinquent taxes and the name of the person
28 to whom a tax bill for property returned for delinquent taxes was
29 last sent and, if different, the name of the person identified as

1 the owner of the property returned for delinquent taxes as shown on
2 the current records of the county treasurer. If no notice
3 publication is circulated in the county in which the property is
4 located, the county treasurer may insert a notice under this
5 subsection in a notice publication circulated in an adjoining
6 county. Additionally, a county treasurer may post on a website,
7 including, but not limited to, a website maintained by the county
8 treasurer.

9 Enacting section 1. This amendatory act does not take effect
10 unless Senate Bill No. 726 of the 100th Legislature is enacted into
11 law.