

Act No. 189
Public Acts of 2017
Approved by the Governor
November 20, 2017
Filed with the Secretary of State
November 21, 2017
EFFECTIVE DATE: November 21, 2017

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2017**

Introduced by Rep. Lucido

ENROLLED HOUSE BILL No. 4285

AN ACT to amend 1893 PA 206, entitled “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,” by amending sections 47 and 89a (MCL 211.47 and 211.89a), section 47 as amended by 1994 PA 253 and section 89a as amended by 2008 PA 512.

The People of the State of Michigan enact:

Sec. 47. (1) If a person neglects or refuses to pay a tax on property assessed to that person, the township or city treasurer, as appropriate, shall, or for the state education tax levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, the state treasurer may also, subject to subsection (4), collect the tax by seizing the personal property of that person, in an amount sufficient to pay the tax, the fees, and the charges, for subsequent sale of the property, and no property is exempt. The treasurer may sell the property seized, in an amount sufficient to pay the taxes and all charges, at public auction in the place where seized or in the township or city of which he or she is treasurer or for the state treasurer, anywhere in the state. The treasurer shall give public notice of the auction at least

5 days before the sale by posting written or printed notices in 3 public places in the township, village, or city where the sale is to be made. The sale may be adjourned from time to time if the treasurer considers it necessary. If the property is seized and advertised, the sale may take place at any time within 6 days after the expiration of the warrant of sale. If it is necessary to sell personal property that brings more than the amount of taxes and charges, the balance shall be returned to the person from whose possession the property was taken. However, if the state seizes and sells property and the sale brings more than the amount of the state education tax and charges due, the state shall distribute the balance on a pro rata basis to any other local taxing units to which delinquent personal property taxes on that property remain unpaid. If property seized under this section cannot be sold for want of bidders, and in that case only, the treasurer shall return a statement of that fact and the tax shall be returned as unpaid.

(2) Notwithstanding or in lieu of subsection (1), and subject to subsection (4), the township or city treasurer, in the name of the township, village, or city, or the state treasurer, in the name of the state, may sue the person to whom the tax is assessed and garnishee any debtor or debtors of that person. The tax roll is prima facie evidence of the debt sought to be recovered. If the person to whom the tax is assessed did not own the property on the tax day for the year in which the unpaid tax was levied, the township or city treasurer, in the name of the township, village, or city, or the state treasurer, in the name of the state, may sue any person that did own the property on the tax day for the year in which the unpaid tax was levied and garnishee any debtor or debtors of that person.

(3) If a person that possesses the personal property of another person is assessed for that property and pays the taxes on the property, the person paying the taxes may recover in a civil action from the person for whose benefit the taxes were paid the money paid with the applicable interest.

(4) Notwithstanding any other provision in this act or charter to the contrary, a person is not subject to personal liability for any unpaid property tax levied on real property unless that person owned the real property on the tax day for the year in which the unpaid tax was levied. A person contesting personal liability under this subsection may raise the issue in an enforcement action in the trial court regardless of whether the person previously raised the issue with the local board of review. As used in this subsection, "trial court" means any district court, probate court, municipal court, small claims court, appellate court, or other tribunal in which the issue of personal liability is litigated.

(5) As used in this section, "person" means an individual, partnership, corporation, association, limited liability company, or any other legal entity.

Sec. 89a. (1) Notwithstanding the provisions of a charter of a county adopted pursuant to 1966 PA 293, MCL 45.501 to 45.521, or the provisions of the charter of a home rule city, to the contrary, the city treasurer of a city with a population of 600,000 or more shall return all uncollected delinquent taxes levied on real property after December 31, 2002 on the March 1 immediately following the year in which the taxes are levied. For the purposes of this section, delinquent taxes include all interest and penalties that accrue after August 15 of the year in which all taxes billed by the city are levied if that interest and penalty remain unpaid on the date the delinquent taxes are returned to the county treasurer.

(2) The city treasurer of a city with a population of 600,000 or more may return all uncollected delinquent taxes levied in 2001, 2002, or 2001 and 2002 to the county treasurer for collection under this section on March 1, 2004. A city treasurer shall provide the county treasurer written notice of his or her intent to return uncollected delinquent taxes levied in 2001 or 2002 under this subsection not later than February 1, 2004. If uncollected delinquent taxes levied in 2001 or 2002 are returned to the county treasurer for collection under this subsection, the county treasurer shall collect those taxes with taxes returned as delinquent in 2004.

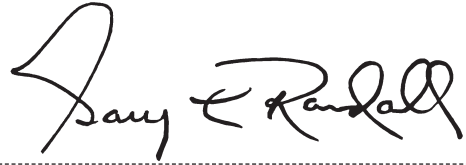
(3) After the delinquent taxes levied on real property are returned to the county treasurer for collection under this section, the provisions of this act apply for collection of those taxes and, except for taxes levied on or before December 31, 2002, for the issuance of notes in anticipation of the collection of those taxes.

(4) A judgment entered under section 78k that extinguishes any lien for unpaid taxes or special assessments does not extinguish the right of the city to bring an in personam action under this act or its charter to enforce personal liability for those unpaid taxes or special assessments. The city may bring an in personam action to enforce personal liability for unpaid delinquent taxes levied prior to January 1, 2003 or special assessments not returned as delinquent under this section within 15 years after the taxes or special assessments are levied. An in personam action brought under this act or a city's charter to enforce personal liability for unpaid taxes is subject to section 47(4).

(5) If a city treasurer returns uncollected delinquent taxes levied on real property on or before December 31, 2002 to the county treasurer for collection under this section, the county treasurer shall remit to the city treasurer after each month the taxes and interest collected during that month.

Enacting section 1. This amendatory act is retroactive and is effective for any unpaid property taxes or special assessments subject to collection under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, on and after the date this amendatory act is enacted into law. However, this amendatory act is not intended to affect any final determination, not subject to further appeal, of personal liability in a proceeding or case decided by the tax tribunal or a court of this state issued before the date this amendatory act is enacted into law.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor