



HOUSE BILL No. 5529

March 21, 2000, Introduced by Reps. Bob Brown, Schermesser, Sheltroun, Basham, Woodward, Switalski, Spade, Jamnick and Hale and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 2 (MCL 211.2), as amended by 1993 PA 313.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) For the purpose of taxation, real property
2 includes all ~~lands~~ OF THE FOLLOWING:

3 (A) ALL LAND within ~~the~~ THIS state, all buildings and fix-
4 tures on the land, and ALL appurtenances ~~thereto~~ TO THE LAND,
5 except as expressly exempted by law. ~~, and includes all~~

6 (B) ALL real property owned by ~~the~~ THIS state or purchased
7 or condemned for public highway purposes by any board, officer,
8 commission, or department of ~~the~~ THIS state and sold on land
9 contract, notwithstanding the fact that the deed has not been
10 executed transferring title.

1 (2) The taxable status of persons and real and personal
2 property for a tax year shall be determined as of each December
3 31 of the immediately preceding year, which is considered the tax
4 day, any provisions in the charter of any city or village to the
5 contrary notwithstanding. An assessing officer is not restricted
6 to any particular period in the preparation of the assessment
7 roll but may survey, examine, or review ~~properties~~ PROPERTY at
8 any time before or after the tax day.

9 (3) Notwithstanding a provision to the contrary in any law,
10 if real property is acquired for public purposes by purchase or
11 condemnation, all general property taxes, but not penalties,
12 levied during the 12 months immediately preceding, but not
13 including, the day title passes to the public agency shall be
14 prorated in accordance with this subsection. The seller or con-
15 demnee is responsible for the portion of taxes from the levy date
16 or dates to, but not including, the day title passes and the
17 public agency is responsible for the remainder of the taxes. If
18 the date that title will pass cannot be ascertained definitely
19 and an agreement in advance to prorate taxes is desirable, an
20 estimated date for the passage of title may be agreed to. In the
21 absence of an agreement, the public agency shall compute the pro-
22 ration of taxes as of the date title passes. The question of
23 proration of taxes shall not be considered in any condemnation
24 proceeding. As used in this paragraph "levy date" means the day
25 on which general property taxes become due and payable. In addi-
26 tion to the portion of taxes for which the public agency is
27 responsible under the provisions of this subsection, the public

1 agency is also responsible for all general property taxes levied
2 on or after the date title passes and before the property is
3 removed from the tax rolls.

4 (4) In a real estate transaction between private parties
5 ~~in~~ FOR PURPOSES OF PRORATING TAXES ONLY, TAXES LEVIED BY THIS
6 STATE OR BY A CITY, COUNTY, VILLAGE, TOWNSHIP, OR OTHER TAXING
7 UNIT ARE CONSIDERED TO BE FOR GOVERNMENTAL SERVICES RENDERED IN
8 THE CALENDAR YEAR IN WHICH THE TAXES BECOME DUE AND PAYABLE,
9 REGARDLESS OF WHEN THE TAXES ARE COLLECTED UNDER THIS ACT. IN
10 the absence of an agreement to the contrary, the seller is
11 responsible for that portion of the ~~annual~~ taxes ~~levied~~ THAT
12 HAVE OR WILL BECOME DUE AND PAYABLE during the ~~12 months immedi-~~
13 ~~ately preceding~~ CALENDAR YEAR, UP TO but not including, the day
14 title passes, ~~from the levy date or dates to, but not including,~~
15 ~~the day title passes and the~~ CALCULATED BY MULTIPLYING THE TAXES
16 THAT HAVE OR WILL BECOME DUE AND PAYABLE DURING THE CALENDAR YEAR
17 BY A FRACTION THE NUMERATOR OF WHICH IS THE NUMBER OF DAYS THE
18 SELLER OWNED THE REAL ESTATE, UP TO BUT NOT INCLUDING THE DAY
19 TITLE PASSES, AND THE DENOMINATOR OF WHICH IS 365. THE buyer is
20 responsible for the remainder of the ~~annual~~ taxes THAT HAVE OR
21 WILL BECOME DUE AND PAYABLE DURING THE CALENDAR YEAR. ~~As used~~
22 ~~in this subsection, "levy date" means the day on which a general~~
23 ~~property tax becomes due and payable.~~