

HOUSE BILL No. 4288

February 15, 2005, Introduced by Reps. Cheeks, Williams, Hood, Leland, Farrah, Pastor, McConico, Waters, Plakas, Accavitti, Vagnozzi, Cushingberry, Gleason, Sheltroun, Lemmons, Jr., Brown, Whitmer, Lemmons, III, Adamini, Phillips, Gaffney and Virgil Smith and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending sections 59, 78b, 78c, 78f, 78g, 78i, 78k, 78l, and 78m
(MCL 211.59, 211.78b, 211.78c, 211.78f, 211.78g, 211.78i, 211.78k,
211.78l, and 211.78m), section 59 as amended by 2001 PA 97 and
sections 78b, 78c, 78f, 78g, 78i, 78k, 78l, and 78m as amended by
2003 PA 263.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 59. (1) A person may pay the taxes, any 1 of the taxes, a
2 portion of the taxes specified by resolution of the county board of
3 commissioners, or if a specification is not made by a resolution of
4 the county board of commissioners, a portion of the taxes approved
5 by the county treasurer on a parcel or description of property

1 returned as delinquent, or on an undivided share of a parcel or
2 description of property returned as delinquent. For taxes levied on
3 real property before January 1, 1999 and for taxes levied on
4 personal property, the amount paid under this subsection shall
5 include interest computed from the March 1 after the taxes were
6 assessed at the rate of 1% per month or fraction of a month, except
7 as provided in section 89, and 4% of the delinquent taxes as a
8 county property tax administration fee that shall be a minimum of
9 \$1.00 per payment of delinquent taxes, except as provided in
10 section 89. Payment under this subsection shall be made to the
11 county treasurer of the county in which the property is situated —
12 at any time before the property is sold at a tax sale held pursuant
13 to section 60 — ~~bid off to this state pursuant to section 70,~~ or
14 forfeited to a county treasurer pursuant to section 78g. **PAYMENT**
15 **UNDER THIS SUBSECTION SHALL BE CREDITED AGAINST THE MOST DELINQUENT**
16 **TAXES.** The county treasurer and the treasurer for the local tax
17 collecting unit shall allocate and distribute the taxes and
18 interest paid proportionately among the county or local tax
19 collecting unit funds and the property tax administration fee
20 returned as delinquent under section 44(6) to the treasurer of the
21 local tax collecting unit who transmitted the taxes returned as
22 delinquent. For taxes levied before January 1, 1999, on all
23 descriptions of property with unpaid taxes on the October 1 before
24 the time prescribed for the sale of a tax lien on the property, an
25 additional \$10.00 shall be charged for expenses, which shall be a
26 lien on the property. If collected, \$5.00 of this expense charge
27 shall be credited to a restricted revenue fund of this state, to be

1 known as the delinquent property tax administration fund, to
2 reimburse this state for the cost of publishing the lists of
3 property and other expenses, and \$5.00 shall belong to the general
4 fund of the county to reimburse the county for the expense incurred
5 in preparing the list of delinquent property for sale or
6 forfeiture.

7 (2) For taxes levied before January 1, 1999, the property tax
8 administration fee paid to the county treasurer shall be credited
9 to the general fund of the county and the property tax
10 administration fee paid to the state treasurer shall be credited to
11 the delinquent property tax administration fund. Amounts credited
12 to the general fund of the county shall be used only for the
13 purposes specified in subsection (6).

14 (3) For taxes levied before January 1, 1999, and for taxes
15 levied after December 31, 1998, a county board of commissioners, by
16 resolution, may provide all of the following for taxes paid before
17 May 1 in the first year of delinquency for the homestead property
18 of a senior citizen, paraplegic, hemiplegic, quadriplegic, eligible
19 ~~serviceman~~ **SERVICEPERSON**, eligible veteran, eligible widow **OR**
20 **WIDOWER**, totally and permanently disabled person, or blind person,
21 as those persons are defined in chapter 9 of the income tax act of
22 1967, 1967 PA 281, MCL 206.501 to 206.532, if a claim is made
23 before February 15 for the credit provided by chapter 9 of the
24 income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if
25 that claimant presents a copy of the form filed for that credit to
26 the county treasurer, and if that claimant has not received the
27 credit before March 1:

1 (a) Any interest, fee, or penalty in excess of the interest,
2 fee, or penalty that would have been added if the tax had been paid
3 before February 15 is waived.

4 (b) Interest paid under subsection (1) or section 89(1)(a) is
5 waived unless the interest is pledged to the repayment of
6 delinquent tax revolving fund notes or payable to the county
7 delinquent tax revolving fund, in which case the interest shall be
8 refunded from the general fund of the county.

9 (c) The county property tax administration fee is waived.

10 (4) The treasurer of the local tax collecting unit shall
11 indicate on the delinquent tax roll if a 1% property tax
12 administration fee was added to taxes collected before February 15.

13 (5) The fees authorized and collected under this section and
14 credited to the delinquent property tax administration fund shall
15 be used by the department of treasury to pay expenses incurred in
16 the administration of this act.

17 (6) The county property tax administration fee shall be used
18 by the county to offset the costs incurred in and ancillary to
19 collecting delinquent property taxes and for purposes authorized by
20 sections 87b and 87d.

21 Sec. 78b. Except as otherwise provided in section 79 for
22 certified abandoned property, on the June 1 immediately succeeding
23 the date that unpaid taxes are returned to the county treasurer
24 ~~for forfeiture, foreclosure, and sale under section 60a(1) or (2)~~
25 ~~or returned to the county treasurer~~ as delinquent under section
26 78a, the county treasurer shall send notice of all the following by
27 ~~first-class mail, address correction requested~~ **CERTIFIED MAIL,**

1 **RETURN RECEIPT MANDATORY**, to the person to whom a tax bill for
2 property returned for delinquent taxes was last sent or to the
3 person identified as the owner of property returned for delinquent
4 taxes, to a person entitled to notice of the return of delinquent
5 taxes under section 78a(4), and to a person to whom a tax
6 certificate for property returned for delinquent taxes was issued
7 pursuant to **FORMER** section 71, as shown on the current records of
8 the county treasurer:

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

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

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

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

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

20 (f) A statement that unless those unpaid delinquent taxes,
21 interest, penalties, and fees are paid ~~on or before the March 31~~
22 ~~immediately succeeding the entry in an uncontested case of a~~
23 ~~judgment foreclosing the property under section 78k~~ **WITHIN 6**
24 **MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY**
25 **IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961,**
26 **1961 PA 236, MCL 600.5701 TO 600.5759,** absolute title to the
27 property shall vest in the foreclosing governmental unit.

1 (g) A statement of the person's rights of redemption and
2 notice that the rights of redemption will expire ~~on the March 31~~
3 ~~immediately succeeding the entry in an uncontested case of a~~
4 ~~judgment foreclosing the property under section 78k~~ **6 MONTHS AFTER**
5 **THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED**
6 **UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA**
7 **236, MCL 600.5701 TO 600.5759.**

8 Sec. 78c. Except as otherwise provided in section 79 for
9 certified abandoned property, on the September 1 immediately
10 succeeding the date that unpaid taxes are returned to ~~the county~~
11 ~~treasurer for forfeiture, foreclosure, and sale under section~~
12 ~~60a(1) or (2) or returned to~~ the county treasurer as delinquent
13 under section 78a, the county treasurer shall send notice of all
14 the following by ~~first-class mail, address correction requested~~
15 **CERTIFIED MAIL, RETURN RECEIPT MANDATORY**, to the person to whom a
16 tax bill for property returned for delinquent taxes was last sent
17 or to the person identified as the owner of property returned for
18 delinquent taxes, to a person entitled to notice of the return of
19 delinquent taxes under section 78a(4), and to a person to whom a
20 tax certificate for property returned for delinquent taxes was
21 issued pursuant to **FORMER** section 71, as shown on the current
22 records of the county treasurer:

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

26 (b) A statement that a person who holds a legal interest in
27 the property may lose that interest as a result of the forfeiture

1 and subsequent foreclosure proceeding.

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

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

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

7 (f) A schedule of the additional fees that will accrue on the
8 immediately succeeding October 1 pursuant to section 78d if the
9 unpaid delinquent taxes, interest, penalties, and fees due on the
10 property are not paid.

11 (g) A statement that unless those unpaid delinquent taxes,
12 interest, penalties, and fees are paid ~~on or before the March 31~~
13 ~~immediately succeeding the entry in an uncontested case of a~~
14 ~~judgment foreclosing the property under section 78k~~ **WITHIN 6**
15 **MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY**
16 **IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961,**
17 **1961 PA 236, MCL 600.5701 TO 600.5759,** absolute title to the
18 property shall vest in the foreclosing governmental unit.

19 (h) A statement of the person's rights of redemption and
20 notice that the rights of redemption will expire ~~on the March 31~~
21 ~~immediately succeeding the entry in an uncontested case of a~~
22 ~~judgment foreclosing the property under section 78k~~ **6 MONTHS AFTER**
23 **THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED**
24 **UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA**
25 **236, MCL 600.5701 TO 600.5759.**

26 Sec. 78f. (1) Except as otherwise provided in section 79 for
27 certified abandoned property, not later than the February 1

1 immediately succeeding the date that unpaid taxes were returned ~~to~~
2 ~~the county treasurer for forfeiture, foreclosure, and sale under~~
3 ~~section 60a(1) or (2) or returned~~ to the county treasurer as
4 delinquent under section 78a, the county treasurer shall send a
5 notice by certified mail, return receipt ~~requested~~ **MANDATORY**, to
6 the person to whom a tax bill for property returned for delinquent
7 taxes was last sent and, if different, to the person identified as
8 the owner of property returned for delinquent taxes as shown on the
9 current records of the county treasurer and to those persons
10 identified under section 78e(2). The notice required under this
11 subsection shall include all of the following:

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

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 to whom the notice is addressed.

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

23 (f) A schedule of the additional interest, penalties, and fees
24 that will accrue on the immediately succeeding March 1 pursuant to
25 section 78g if those unpaid delinquent taxes, interest, penalties,
26 and fees due on the property are not paid.

27 (g) A statement that unless those unpaid delinquent taxes,

1 interest, penalties, and fees are paid ~~on or before the March 31~~
 2 ~~immediately succeeding the entry in an uncontested case of a~~
 3 ~~judgment foreclosing the property under section 78k~~ **WITHIN 6**
 4 **MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY**
 5 **IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961,**
 6 **1961 PA 236, MCL 600.5701 TO 600.5759,** absolute title to the
 7 property shall vest in the foreclosing governmental unit.

8 (h) 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~~ **6 MONTHS AFTER**
 12 **THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED**
 13 **UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA**
 14 **236, MCL 600.5701 TO 600.5759.**

15 (2) The notice required under subsection (1) shall also be
 16 mailed to the property by ~~first class mail~~ **CERTIFIED MAIL, RETURN**
 17 **RECEIPT MANDATORY,** addressed to "occupant", if the notice was not
 18 sent to the occupant of the property pursuant to subsection (1).

19 (3) A county treasurer ~~may~~ **SHALL** insert 1 or more additional
 20 notices in ~~a~~ **THE** newspaper **WITH THE LARGEST CIRCULATION** published
 21 and circulated in the county in which the property is located, if
 22 there is one. If no newspaper is published in that county,
 23 publication ~~may~~ **SHALL** be made in ~~a~~ **THE** newspaper **WITH THE**
 24 **LARGEST CIRCULATION** published and circulated in an adjoining
 25 county.

26 (4) The county treasurer ~~may~~ **SHALL** publish the street
 27 address, if available, of property subject to forfeiture under

1 section 78g on the immediately succeeding March 1 for delinquent
2 taxes or the street address, if available, of property subject to
3 forfeiture under section 78g on the immediately succeeding March 1
4 for delinquent taxes and the name of the person to whom a tax bill
5 for property returned for delinquent taxes was last sent and, if
6 different, the name of the person identified as the owner of the
7 property returned for delinquent taxes as shown on the current
8 records of the county treasurer in ~~—a—~~ **THE** newspaper **WITH THE**
9 **LARGEST CIRCULATION** published and circulated in the county in which
10 the property is located, if there is one. If no newspaper is
11 published in that county, publication may be made in ~~—a—~~ **THE**
12 newspaper **WITH THE LARGEST CIRCULATION** published and circulated in
13 an adjoining county.

14 Sec. 78g. (1) Except as otherwise provided in this subsection,
15 on March 1 in each tax year, certified abandoned property and
16 property that is delinquent for taxes, interest, penalties, and
17 fees for the immediately preceding 12 months or more is forfeited
18 to the county treasurer for the total amount of those unpaid
19 delinquent taxes, interest, penalties, and fees. If property is
20 forfeited to a county treasurer under this subsection, the
21 foreclosing governmental unit does not have a right to possession
22 of the property until ~~the April 1 immediately succeeding the entry~~
23 ~~of a judgment foreclosing the property under section 78k or in a~~
24 ~~contested case until 22 days after the entry of a judgment~~
25 ~~foreclosing the property under section 78k—~~ **6 MONTHS AFTER THE**
26 **ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER**
27 **CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL**

1 **600.5701 TO 600.5759.** If property is forfeited to a county
2 treasurer under this subsection, the county treasurer shall add a
3 \$175.00 fee to each parcel of property for which those delinquent
4 taxes, interest, penalties, and fees remain unpaid. A county
5 treasurer shall withhold a parcel of property from forfeiture for
6 any reason determined by the state tax commission. The procedure
7 for withholding a parcel of property from forfeiture under this
8 subsection shall be determined by the state tax commission.

9 (2) Not more than 45 days after property is forfeited under
10 subsection (1), the county treasurer shall record with the county
11 register of deeds a certificate in a form determined by the
12 department of treasury for each parcel of property forfeited to the
13 county treasurer, specifying that the property has been forfeited
14 to the county treasurer and not redeemed and that absolute title to
15 the property shall vest in the county treasurer ~~on the March 31~~
16 ~~immediately succeeding the entry of a judgment foreclosing the~~
17 ~~property under section 78k or in a contested case 21 days after the~~
18 ~~entry of a judgment foreclosing the property under section 78k~~ 6
19 **MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY**
20 **IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961,**
21 **1961 PA 236, MCL 600.5701 TO 600.5759.** If a certificate of
22 forfeiture is recorded in error, the county treasurer shall record
23 with the county register of deeds a certificate of error in a form
24 prescribed by the department of treasury. A certificate submitted
25 to the county register of deeds for recording under this subsection
26 need not be notarized and may be authenticated by a digital
27 signature of the county treasurer or by other electronic means. If

1 the county has elected under section 78 to have this state
2 foreclose property under this act forfeited to the county treasurer
3 under this section, the county treasurer shall immediately transmit
4 to the department of treasury a copy of each certificate recorded
5 under this subsection. The county treasurer shall upon collection
6 transmit to the department of treasury within 30 days the fee added
7 to each parcel under subsection (1), which may be paid from the
8 county's delinquent tax revolving fund and shall be deposited in
9 the land reutilization fund created under section 78n.

10 (3) Property forfeited to the county treasurer under
11 subsection (1) may be redeemed at any time ~~on or before the March~~
12 ~~31 immediately succeeding the entry of a judgment foreclosing the~~
13 ~~property under section 78k or in a contested case within 21 days of~~
14 ~~the entry of a judgment foreclosing the property under section 78k~~
15 **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE**
16 **PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT**
17 **OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759,** upon payment to the
18 county treasurer of all of the following:

19 (a) The total amount of unpaid delinquent taxes, interest,
20 penalties, and fees for which the property was forfeited.

21 (b) In addition to the interest calculated under ~~sections~~
22 ~~60a(1) or (2) and~~ **SECTION 78a(3)**, additional interest computed at
23 a noncompounded rate of 1/2% per month or fraction of a month on
24 the taxes that were originally returned as delinquent, computed
25 from the March 1 preceding the forfeiture.

26 (c) All recording fees and all fees for service of process or
27 notice.

1 (4) If property is redeemed by a person with a legal interest
2 as provided under subsection (3), any unpaid taxes not returned as
3 delinquent to the county treasurer under section 78a are not
4 extinguished.

5 (5) If property is redeemed by a person with a legal interest
6 as provided under subsection (3), the person redeeming does not
7 acquire a title or interest in the property greater than that
8 person would have had if the property had not been forfeited to the
9 county treasurer, but the person redeeming, other than the owner,
10 is entitled to a lien for the amount paid to redeem the property in
11 addition to any other lien or interest the person may have, which
12 shall be recorded within 30 days with the register of deeds by the
13 person entitled to the lien. The lien acquired shall have the same
14 priority as the existing lien, title, or interest.

15 (6) If property is redeemed as provided under subsection (3),
16 the county treasurer shall issue a redemption certificate in
17 quadruplicate in a form prescribed by the department of treasury.
18 One of the quadruplicate certificates shall be delivered to the
19 person making the redemption payment, 1 shall be filed in the
20 office of the county treasurer, 1 shall be recorded in the office
21 of the county register of deeds, and 1 shall be immediately
22 transmitted to the department of treasury if this state is the
23 foreclosing governmental unit. The county treasurer shall also make
24 a note of the redemption certificate in the tax record kept in his
25 or her office, with the name of the person making the final
26 redemption payment, the date of the payment, and the amount paid.
27 If the county treasurer accepts partial redemption payments, the

1 county treasurer shall include in the tax record kept in his or her
2 office the name of the person or persons making each partial
3 redemption payment, the date of each partial redemption payment,
4 the amount of each partial redemption payment, and the total amount
5 of all redemption payments. A certificate and the entry of the
6 certificate in the tax record by the county treasurer is prima
7 facie evidence of a redemption payment in the courts of this state.
8 A certificate submitted to the county register of deeds for
9 recording under this subsection need not be notarized and may be
10 authenticated by a digital signature of the county treasurer or by
11 other electronic means. If a redemption certificate is recorded in
12 error, the county treasurer shall record with the county register
13 of deeds a certificate of error in a form prescribed by the
14 department of treasury. A copy of a certificate of error recorded
15 under this section shall be immediately transmitted to the
16 department of treasury if this state is the foreclosing
17 governmental unit. **PAYMENT UNDER THIS SUBSECTION SHALL BE CREDITED**
18 **AGAINST THE MOST DELINQUENT TAXES.**

19 (7) If a foreclosing governmental unit has reason to believe
20 that a property forfeited under this section may be the site of
21 environmental contamination, the foreclosing governmental unit
22 shall provide the department of environmental quality with any
23 information in the possession of the foreclosing governmental unit
24 that suggests the property may be the site of environmental
25 contamination.

26 Sec. 78i. (1) Not later than May 1 immediately succeeding the
27 forfeiture of property to the county treasurer under section 78g,

1 the foreclosing governmental unit shall initiate a search of
2 records identified in subsection (6) to identify the owners of a
3 property interest in the property who are entitled to notice under
4 this section of the show cause hearing under section 78j and the
5 foreclosure hearing under section 78k. The foreclosing governmental
6 unit may enter into a contract with 1 or more authorized
7 representatives to perform a title search or may request from 1 or
8 more authorized representatives another title search product to
9 identify the owners of a property interest in the property as
10 required under this subsection or to perform other functions
11 required for the collection of delinquent taxes under this act.

12 (2) After conducting the search of records under subsection
13 (1), the foreclosing governmental unit or its authorized
14 representative shall determine the address reasonably calculated to
15 apprise those owners of a property interest of the show cause
16 hearing under section 78j and the foreclosure hearing under section
17 78k and shall send notice of the show cause hearing under section
18 78j and the foreclosure hearing under section 78k to those owners,
19 to a person entitled to notice of the return of delinquent taxes
20 under section 78a(4) ~~—, and to a person to whom a tax deed for~~
21 ~~property returned for delinquent taxes was issued pursuant to~~
22 ~~section 72—~~ as determined by the records of the state treasurer or
23 county treasurer as applicable, by certified mail, return receipt
24 ~~requested—~~ **MANDATORY**, not less than 30 days before the show cause
25 hearing. If after conducting the search of records under subsection
26 (1) the foreclosing governmental unit is unable to determine an
27 address reasonably calculated to inform a person with an interest

1 in a forfeited property, or if the foreclosing governmental unit
2 discovers a deficiency in notice under subsection (4), the
3 following shall be considered reasonable steps by the foreclosing
4 governmental unit or its authorized representative to ascertain the
5 address of a person entitled to notice under this section or to
6 ascertain an address necessary to correct the deficiency in notice
7 under subsection (4):

8 (a) For an individual, a search of the records of the probate
9 court for the county in which the property is located.

10 (b) For an individual, a search of the qualified voter file
11 established under section 509o of the Michigan election law, 1954
12 PA 116, MCL 168.509o, which is authorized by this subdivision.

13 (c) For a partnership, a search of partnership records filed
14 with the county clerk.

15 (d) For a business entity other than a partnership, a search
16 of business entity records filed with the department of labor and
17 economic growth.

18 (3) The foreclosing governmental unit or its authorized
19 representative or authorized agent shall make a personal visit to
20 each parcel of property forfeited to the county treasurer under
21 section 78g to ascertain whether or not the property is occupied.
22 If the property appears to be occupied, the foreclosing
23 governmental unit or its authorized representative shall do all of
24 the following:

25 (a) Attempt to personally serve upon a person occupying the
26 property notice of the show cause hearing under section 78j and the
27 foreclosure hearing under section 78k.

1 (b) If a person occupying the property is personally served,
2 orally inform the occupant that the property will be foreclosed and
3 the occupants will be required to vacate unless all forfeited
4 unpaid delinquent taxes, interest, penalties, and fees are paid, of
5 the time within which all forfeited unpaid delinquent taxes,
6 interest, penalties, and fees must be paid, and of agencies or
7 other resources that may be available to assist the owner to avoid
8 loss of the property.

9 (c) If the occupant appears to lack the ability to understand
10 the advice given, notify the family independence agency or provide
11 the occupant with the names and telephone numbers of the agencies
12 that may be able to assist the occupant.

13 ~~(d) If the foreclosing governmental unit or its authorized~~
14 ~~representative is not able to personally meet with the occupant,~~
15 ~~the~~ **THE** foreclosing governmental unit or its authorized
16 representative shall place the notice in a conspicuous manner on
17 the property and shall also place in a conspicuous manner on the
18 property a notice that explains, in plain English, that the
19 property will be foreclosed unless forfeited unpaid delinquent
20 taxes, interest, penalties, and fees are paid, the time within
21 which forfeited unpaid delinquent taxes, interest, penalties, and
22 fees must be paid, and the names, addresses, and telephone numbers
23 of agencies or other resources that may be available to assist the
24 occupant to avoid loss of the property. **THE NOTICE SHALL BE ON 11-**
25 **INCH BY 15-INCH LEGAL SIZE, BRIGHT, IRIDESCENT PAPER AND PRINTED IN**
26 **24-POINT BOLD LETTERING. THE FORECLOSING GOVERNMENTAL UNIT SHALL**
27 **PHOTOGRAPH EACH NOTICE PLACED ON THE PROPERTY.** If this state is the

1 foreclosing governmental unit within a county, the department of
2 natural resources shall perform the personal visit to each parcel
3 of property under this subsection on behalf of this state.

4 (4) If the foreclosing governmental unit or its authorized
5 representative discovers any deficiency in the provision of notice,
6 the foreclosing governmental unit shall take reasonable steps in
7 good faith to correct that deficiency not later than 30 days before
8 the show cause hearing under section 78j, if possible. **IF IT IS**
9 **DETERMINED THAT WITHIN A COUNTY THERE IS A DEFICIENCY IN THE**
10 **PROVISION OF NOTICE TO 20% OR MORE OF THE OWNERS OF A PROPERTY**
11 **INTEREST WHO ARE ENTITLED TO NOTICE UNDER THIS SECTION, AN OWNER OF**
12 **A PROPERTY INTEREST WHO IS ENTITLED TO NOTICE UNDER THIS SECTION,**
13 **HIS OR HER AUTHORIZED REPRESENTATIVE, OR HIS OR HER ATTORNEY MAY**
14 **SEEK A WRIT OF MANDAMUS UNDER CHAPTER 44 OF THE REVISED JUDICATURE**
15 **ACT, 1961 PA 236, MCL 600.4401 TO 600.4431, TO COMPEL THE**
16 **FORECLOSING GOVERNMENTAL UNIT OR ITS AUTHORIZED REPRESENTATIVE TO**
17 **CORRECT THAT DEFICIENCY IN NOTICE.**

18 ~~(5) If the foreclosing governmental unit or its authorized~~
19 ~~representative is unable to ascertain the address reasonably~~
20 ~~calculated to apprise the owners of a property interest entitled to~~
21 ~~notice under this section, or is unable to notify the owner of a~~
22 ~~property interest under subsection (2), the~~ **IN ADDITION TO SERVICE**
23 **BY CERTIFIED MAIL, RETURN RECEIPT MANDATORY AND A PERSONAL VISIT,**
24 notice shall **ALSO** be made by publication. A notice shall be
25 published for 3 successive weeks, once each week, in ~~a~~ **THE**
26 newspaper **WITH THE LARGEST CIRCULATION** published and circulated in
27 the county in which the property is located, if there is one. If no

1 paper is published in that county, publication shall be made in —a
2 **THE** newspaper **WITH THE LARGEST CIRCULATION** published and circulated
3 in an adjoining county. This publication shall be ~~instead of~~ **IN**
4 **ADDITION TO THE** notice under subsection (2).

5 (6) The owner of a property interest is entitled to notice
6 under this section of the show cause hearing under section 78j and
7 the foreclosure hearing under section 78k if that owner's interest
8 was identifiable by reference to any of the following sources
9 before the date that the county treasurer records the certificate
10 required under section 78g(2):

11 (a) Land title records in the office of the county register of
12 deeds.

13 (b) Tax records in the office of the county treasurer.

14 (c) Tax records in the office of the local assessor.

15 (d) Tax records in the office of the local treasurer.

16 (7) The notice required under subsections (2) and (3) shall
17 include all of the following:

18 (a) The date on which the property was forfeited to the county
19 treasurer.

20 (b) A statement that the person notified may lose his or her
21 interest in the property as a result of the foreclosure proceeding
22 under section 78k.

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

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

26 (e) The total taxes, interest, penalties, and fees due on the
27 property.

(f) The date and time of the show cause hearing under section 78j.

(g) The date and time of the hearing on the petition for foreclosure under section 78k, and a statement that unless the forfeited unpaid delinquent taxes, interest, penalties, and fees are paid ~~on or before the March 31 immediately succeeding the entry of a judgment foreclosing the property under section 78k, or in a contested case within 21 days of the entry of a judgment foreclosing the property under section 78k~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759**, the title to the property shall vest absolutely in the foreclosing governmental unit.

(h) An explanation of the person's rights of redemption and notice that the rights of redemption will expire ~~on the March 31 immediately succeeding the entry of a judgment foreclosing the property under section 78k, or in a contested case 21 days after the entry of a judgment foreclosing the property under section 78k~~ **6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759.**

(8) The published notice required under subsection (5) shall include all of the following:

(a) A legal description or parcel number of each property.

(b) The street address of each property, if available.

(c) The name of any person or entity entitled to notice under this section. ~~who has not been notified under subsection (2) or~~

1 ~~(3).~~

2 (d) The date and time of the show cause hearing under section
3 78j.

4 (e) The date and time of the hearing on the petition for
5 foreclosure under section 78k.

6 (f) A statement that unless all forfeited unpaid delinquent
7 taxes, interest, penalties, and fees are paid ~~on or before the~~
8 ~~March 31 immediately succeeding the entry of a judgment foreclosing~~
9 ~~the property under section 78k, or in a contested case within 21~~
10 ~~days of the entry of a judgment foreclosing the property under~~
11 ~~section 78k~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
12 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
13 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
14 **600.5759**, the title to the property shall vest absolutely in the
15 foreclosing governmental unit.

16 (g) A statement that a person with an interest in the property
17 may lose his or her interest in the property as a result of the
18 foreclosure proceeding under section 78k.

19 (9) The owner of a property interest who has been properly
20 served with a notice of the show cause hearing under section 78j
21 and the foreclosure hearing under section 78k and who failed to
22 redeem the property as provided under this act shall not assert any
23 of the following:

24 (a) That notice was insufficient or inadequate on the grounds
25 that some other owner of a property interest was not also served.

26 (b) That the redemption period provided under this act was
27 extended in any way on the grounds that some other owner of a

1 property interest was not also served.

2 (10) The failure of the foreclosing governmental unit to
3 comply with any provision of this section shall not invalidate any
4 proceeding under this act if the owner of a property interest or a
5 person to whom a tax deed was issued is accorded the minimum due
6 process required under the state constitution of 1963 and the
7 constitution of the United States.

8 (11) As used in this section, "authorized representative"
9 includes all of the following:

10 (a) A title insurance company or agent licensed to conduct
11 business in this state.

12 (b) An attorney licensed to practice law in this state.

13 (c) A person accredited in land title search procedures by a
14 nationally recognized organization in the field of land title
15 searching.

16 (d) A person with demonstrated experience searching land title
17 records, as determined by the foreclosing governmental unit.

18 (12) The provisions of this section relating to notice of the
19 show cause hearing under section 78j and the foreclosure hearing
20 under section 78k are exclusive and exhaustive. Other requirements
21 relating to notice or proof of service under other law, rule, or
22 legal requirement are not applicable to notice and proof of service
23 under this section.

24 Sec. 78k. (1) If a petition for foreclosure is filed under
25 section 78h, not later than the date of the hearing, the
26 foreclosing governmental unit shall file with the clerk of the
27 circuit court proof of service of the notice of the show cause

1 hearing under section 78j, proof of service of the notice of the
2 foreclosure hearing under this section, and proof of the personal
3 visit to the property and publication under section 78i. **PROOF OF**
4 **THE PERSONAL VISIT TO THE PROPERTY SHALL INCLUDE A SWORN STATEMENT**
5 **ATTESTING TO THE PERSONAL VISIT AND A PHOTOGRAPH DEPICTING EACH**
6 **NOTICE PLACED ON THE PROPERTY.**

7 (2) A person claiming an interest in a parcel of property set
8 forth in the petition for foreclosure may contest the validity or
9 correctness of the forfeited unpaid delinquent taxes, interest,
10 penalties, and fees for 1 or more of the following reasons:

11 (a) No law authorizes the tax.

12 (b) The person appointed to decide whether a tax shall be
13 levied under a law of this state acted without jurisdiction, or did
14 not impose the tax in question.

15 (c) The property was exempt from the tax in question, or the
16 tax was not legally levied.

17 (d) The tax has been paid within the time limited by law for
18 payment or redemption.

19 (e) The tax was assessed fraudulently.

20 (f) The description of the property used in the assessment was
21 so indefinite or erroneous that the forfeiture was void.

22 (3) A person claiming an interest in a parcel of property set
23 forth in the petition for foreclosure who desires to contest that
24 petition shall file written objections with the clerk of the
25 circuit court and serve those objections on the foreclosing
26 governmental unit prior to the date of the hearing required under
27 this section.

(4) If the court determines that the owner of property subject to foreclosure is a minor heir, is incompetent, is without means of support, or is undergoing a substantial financial hardship, the court may withhold that property from foreclosure for 1 year or may enter an order extending the redemption period as the court determines to be equitable. If the court withholds property from foreclosure under this subsection, a taxing unit's lien for taxes due is not prejudiced and that property shall be included in the immediately succeeding year's tax foreclosure proceeding.

(5) The circuit court shall enter final judgment on a petition for foreclosure filed under section 78h at any time after the hearing under this section but not later than the March 30 immediately succeeding the hearing with the judgment effective ~~on the March 31 immediately succeeding the hearing for uncontested cases or 10 days after the conclusion of the hearing for contested cases~~ **6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759.** All redemption rights to the property expire ~~on the March 31 immediately succeeding the entry of a judgment foreclosing the property under this section, or in a contested case 21 days after the entry of a judgment foreclosing the property under this section~~ **6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759.** The circuit court's judgment shall specify all of the following:

(a) The legal description and, if known, the street address of

1 the property foreclosed and the forfeited unpaid delinquent taxes,
2 interest, penalties, and fees due on each parcel of property.

3 (b) That fee simple title to property foreclosed by the
4 judgment will vest absolutely in the foreclosing governmental unit,
5 except as otherwise provided in subdivisions (c) and (e), without
6 any further rights of redemption, if all forfeited delinquent
7 taxes, interest, penalties, and fees are not paid ~~on or before the~~
8 ~~March 31 immediately succeeding the entry of a judgment foreclosing~~
9 ~~the property under this section, or in a contested case within 21~~
10 ~~days of the entry of a judgment foreclosing the property under this~~
11 ~~section~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
12 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
13 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
14 **600.5759.**

15 (c) That all liens against the property, including any lien
16 for unpaid taxes or special assessments, except future installments
17 of special assessments and liens recorded by this state or the
18 foreclosing governmental unit pursuant to the natural resources and
19 environmental protection act, 1994 PA 451, MCL 324.101 to
20 324.90106, are extinguished, if all forfeited delinquent taxes,
21 interest, penalties, and fees are not paid ~~on or before the March~~
22 ~~31 immediately succeeding the entry of a judgment foreclosing the~~
23 ~~property under this section, or in a contested case within 21 days~~
24 ~~of the entry of a judgment foreclosing the property under this~~
25 ~~section~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
26 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
27 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**

1 600.5759.

2 (d) That, except as otherwise provided in subdivisions (c) and
3 (e), the foreclosing governmental unit has good and marketable fee
4 simple title to the property, if all forfeited delinquent taxes,
5 interest, penalties, and fees are not paid ~~on or before the March~~
6 ~~31 immediately succeeding the entry of a judgment foreclosing the~~
7 ~~property under this section, or in a contested case within 21 days~~
8 ~~of the entry of a judgment foreclosing the property under this~~
9 ~~section~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
10 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
11 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
12 **600.5759.**

13 (e) That all existing recorded and unrecorded interests in
14 that property are extinguished, except a visible or recorded
15 easement or right-of-way, private deed restrictions, or
16 restrictions or other governmental interests imposed pursuant to
17 the natural resources and environmental protection act, 1994 PA
18 451, MCL 324.101 to 324.90106, if all forfeited delinquent taxes,
19 interest, penalties, and fees are not paid ~~on or before the March~~
20 ~~31 immediately succeeding the entry of a judgment foreclosing the~~
21 ~~property under this section, or in a contested case within 21 days~~
22 ~~of the entry of a judgment foreclosing the property under this~~
23 ~~section~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
24 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
25 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
26 **600.5759.**

27 (f) A finding that all persons entitled to notice and an

1 opportunity to be heard have been provided that notice and
 2 opportunity. A person shall be deemed to have been provided notice
 3 and an opportunity to be heard if the foreclosing governmental unit
 4 followed the procedures for provision of notice by mail, for visits
 5 to forfeited property, and for publication under section 78i, or if
 6 1 or more of the following apply:

7 (i) The person had constructive notice of the hearing under
 8 this section by acquiring an interest in the property after the
 9 date the notice of forfeiture is recorded under section 78g.

10 (ii) The person appeared at the hearing under this section or
 11 filed written objections with the clerk of the circuit court under
 12 subsection (3) prior to the hearing.

13 (iii) Prior to the hearing under this section, the person had
 14 actual notice of the hearing.

15 (g) A judgment entered under this section is a final order
 16 with respect to the property affected by the judgment and except as
 17 provided in subsection (7) shall not be modified, stayed, or held
 18 invalid ~~after the March 31 immediately succeeding the entry of a~~
 19 ~~judgment foreclosing the property under this section, or for~~
 20 ~~contested cases 21 days after the entry of a judgment foreclosing~~
 21 ~~the property under this section~~ **6 MONTHS AFTER THE ENTRY OF A**
 22 **JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57**
 23 **OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
 24 **600.5759.**

25 (6) Except as otherwise provided in subsection (5)(c) and (e),
 26 fee simple title to property set forth in a petition for
 27 foreclosure filed under section 78h on which forfeited delinquent

1 taxes, interest, penalties, and fees are not paid ~~on or before the~~
2 ~~March 31 immediately succeeding the entry of a judgment foreclosing~~
3 ~~the property under this section, or in a contested case within 21~~
4 ~~days of the entry of a judgment foreclosing the property under this~~
5 ~~section~~ **WITHIN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**

6 **POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE**
7 **REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO**
8 **600.5759**, shall vest absolutely in the foreclosing governmental
9 unit, and the foreclosing governmental unit shall have absolute
10 title to the property. The foreclosing governmental unit's title is
11 not subject to any recorded or unrecorded lien and shall not be
12 stayed or held invalid except as provided in subsection (7) or (9).

13 (7) The foreclosing governmental unit or a person claiming to
14 have a property interest under section 78i in property foreclosed
15 under this section may appeal the circuit court's order or the
16 circuit court's judgment foreclosing property to the court of
17 appeals. An appeal under this subsection is limited to the record
18 of the proceedings in the circuit court under this section and
19 shall not be de novo. The circuit court's judgment foreclosing
20 property shall be stayed until the court of appeals has reversed,
21 modified, or affirmed that judgment. If an appeal under this
22 subsection stays the circuit court's judgment foreclosing property,
23 the circuit court's judgment is stayed only as to the property that
24 is the subject of that appeal and the circuit court's judgment
25 foreclosing other property that is not the subject of that appeal
26 is not stayed. To appeal the circuit court's judgment foreclosing
27 property, a person appealing the judgment shall pay to the county

1 treasurer the amount determined to be due to the county treasurer
2 under the judgment ~~on or before the March 31 immediately~~
3 ~~succeeding the entry of a judgment foreclosing the property under~~
4 ~~this section, or in a contested case within 21 days of the entry of~~
5 ~~a judgment foreclosing the property under this section,~~ together
6 with a notice of appeal. If the circuit court's judgment
7 foreclosing the property is affirmed on appeal, the amount
8 determined to be due shall be refunded to the person who appealed
9 the judgment. If the circuit court's judgment foreclosing the
10 property is reversed or modified on appeal, the county treasurer
11 shall refund the amount determined to be due to the person who
12 appealed the judgment, if any, and retain the balance in accordance
13 with the order of the court of appeals.

14 (8) The foreclosing governmental unit shall record a notice of
15 judgment for each parcel of foreclosed property in the office of
16 the register of deeds for the county in which the foreclosed
17 property is located in a form prescribed by the department of
18 treasury.

19 (9) After the entry of a judgment foreclosing the property
20 under this section, if the property has not been transferred under
21 section 78m to a person other than the foreclosing governmental
22 unit, a foreclosing governmental unit may cancel the foreclosure by
23 recording with the register of deeds for the county in which the
24 property is located a certificate of error in a form prescribed by
25 the department of treasury, if the foreclosing governmental unit
26 discovers any of the following:

27 (a) The foreclosed property was not subject to taxation on the

1 date of the assessment of the unpaid taxes for which the property
2 was foreclosed.

3 (b) The description of the property used in the assessment of
4 the unpaid taxes for which the property was foreclosed was so
5 indefinite or erroneous that the forfeiture of the property was
6 void.

7 (c) The taxes for which the property was foreclosed had been
8 paid to the proper officer within the time provided under this act
9 for the payment of the taxes or the redemption of the property.

10 (d) A certificate, including a certificate issued under
11 section 135, or other written verification authorized by law was
12 issued by the proper officer within the time provided under this
13 act for the payment of the taxes for which the property was
14 foreclosed or for the redemption of the property.

15 (e) An owner of an interest in the property entitled to notice
16 under section 78i was not provided notice sufficient to satisfy the
17 minimum requirements of due process required under the state
18 constitution of 1963 and the constitution of the United States.

19 (f) A judgment of foreclosure was entered under this section
20 in violation of an order issued by a United States bankruptcy
21 court.

22 (10) A certificate of error submitted to the county register
23 of deeds for recording under subsection (9) need not be notarized
24 and may be authenticated by a digital signature of the foreclosing
25 governmental unit or by other electronic means.

26 Sec. 78l. (1) ~~If~~ **AT ANY TIME AFTER** a judgment for foreclosure
27 is entered under section 78k and all existing recorded and

1 unrecorded interests in a parcel of property are extinguished as
2 provided in section 78k, **IF** the owner of any extinguished recorded
3 or unrecorded interest in that property ~~who~~ claims that he or she
4 did not receive any notice required under this act, ~~shall not~~ **THE**
5 **COURT SHALL VACATE THE JUDGMENT OF FORECLOSURE ENTERED UNDER**
6 **SECTION 78K, THE OWNER MAY** bring an action for possession of the
7 property against any subsequent owner, ~~but may only bring an~~
8 ~~action to recover monetary damages as provided in this section~~ **AND**
9 **THE OWNER SHALL HAVE AN ADDITIONAL 6 MONTHS TO PAY ALL FORFEITED**
10 **UNPAID DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES DUE ON THE**
11 **PROPERTY.**

12 (2) ~~The court of claims has original and exclusive~~
13 ~~jurisdiction in any action to recover monetary damages under this~~
14 ~~section.~~ **AN OWNER OF PROPERTY SUBJECT TO A JUDGMENT OF FORECLOSURE**
15 **UNDER SECTION 78K SHALL HAVE NOT LESS THAN 6 MONTHS TO PAY ALL**
16 **FORFEITED UNPAID DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES**
17 **DUE ON THE PROPERTY AFTER A JUDGMENT FOR POSSESSION OF THE PROPERTY**
18 **IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961,**
19 **1961 PA 236, MCL 600.5701 TO 600.5759. ABSOLUTE TITLE TO THE**
20 **PROPERTY SHALL NOT VEST IN THE FORECLOSING GOVERNMENTAL UNIT UNTIL**
21 **6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE**
22 **PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT**
23 **OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759. A JUDGMENT FOR**
24 **POSSESSION OF THE PROPERTY ENTERED UNDER CHAPTER 57 OF THE REVISED**
25 **JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759, IS**
26 **STAYED FOR NOT LESS THAN 6 MONTHS AFTER THE ENTRY OF A JUDGMENT FOR**
27 **POSSESSION IS ENTERED.**

~~(3) An action to recover monetary damages under this section shall not be brought more than 2 years after a judgment for foreclosure is entered under section 78k.~~

~~(4) Any monetary damages recoverable under this section shall be determined as of the date a judgment for foreclosure is entered under section 78k and shall not exceed the fair market value of the interest in the property held by the person bringing the action under this section on that date, less any taxes, interest, penalties, and fees owed on the property as of that date.~~

~~(5) The right to sue for monetary damages under this section is not transferable except by testate or intestate succession.~~

~~Sec. 78m. (1) Not later than the first Tuesday in July, immediately succeeding the entry of judgment under section 78k vesting absolute title to tax delinquent property in the~~

~~foreclosing governmental unit~~ **SIX MONTHS AFTER THE ENTRY OF A JUDGMENT FOR POSSESSION OF THE PROPERTY IS ENTERED UNDER CHAPTER 57 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL 600.5701 TO 600.5759, AND IF ALL FORFEITED UNPAID DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES DUE ON THE PROPERTY HAVE NOT BEEN PAID, this** state is granted the right of first refusal to purchase property at the greater of the minimum bid or its fair market value by paying that amount to the foreclosing governmental unit if the foreclosing governmental unit is not this state. If this state elects not to purchase the property under its right of first refusal, a city, village, or township may purchase for a public purpose any property located within that city, village, or township set forth in the judgment and subject to sale under this section by payment to the

1 foreclosing governmental unit of the minimum bid. If a city,
2 village, or township does not purchase that property, the county in
3 which that property is located may purchase that property under
4 this section by payment to the foreclosing governmental unit of the
5 minimum bid. If property is purchased by a city, village, township,
6 or county under this subsection, the foreclosing governmental unit
7 shall convey the property to the purchasing city, village,
8 township, or county within 30 days. If property purchased by a
9 city, village, township, or county under this subsection is
10 subsequently sold for an amount in excess of the minimum bid and
11 all costs incurred relating to demolition, renovation,
12 improvements, or infrastructure development, the excess amount
13 shall be returned to the delinquent tax property sales proceeds
14 account for the year in which the property was purchased by the
15 city, village, township, or county or, if this state is the
16 foreclosing governmental unit within a county, to the land
17 reutilization fund created under section 78n. Upon the request of
18 the foreclosing governmental unit, a city, village, township, or
19 county that purchased property under this subsection shall provide
20 to the foreclosing governmental unit without cost information
21 regarding any subsequent sale or transfer of the property. This
22 subsection applies to the purchase of property by this state, a
23 city, village, or township, or a county prior to a sale held under
24 subsection (2).

25 (2) Subject to subsection (1), ~~beginning on the third Tuesday~~
26 ~~in July immediately succeeding the entry of the judgment under~~
27 ~~section 78k vesting absolute title to tax delinquent property in~~

1 ~~the foreclosing governmental unit and ending on the immediately~~
2 ~~succeeding first Tuesday in November,~~ the foreclosing governmental
3 unit, or its authorized agent, at the option of the foreclosing
4 governmental unit, shall hold at least 2 property sales at 1 or
5 more convenient locations at which property foreclosed by the
6 judgment entered under section 78k shall be sold by auction sale,
7 which may include an auction sale conducted via an internet
8 website. Notice of the time and location of the sales shall be
9 published not less than 30 days before each sale in a newspaper
10 published and circulated in the county in which the property is
11 located, if there is one. If no newspaper is published in that
12 county, publication shall be made in a newspaper published and
13 circulated in an adjoining county. ~~Each sale shall be completed~~
14 ~~before the first Tuesday in November immediately succeeding the~~
15 ~~entry of judgment under section 78k vesting absolute title to the~~
16 ~~tax delinquent property in the foreclosing governmental unit.~~
17 Except as provided in subsection (5), property shall be sold to the
18 person bidding the highest amount above the minimum bid. The
19 foreclosing governmental unit may sell parcels individually or may
20 offer 2 or more parcels for sale as a group. The minimum bid for a
21 group of parcels shall equal the sum of the minimum bid for each
22 parcel included in the group. The foreclosing governmental unit may
23 adopt procedures governing the conduct of the sale and may cancel
24 the sale prior to the issuance of a deed under this subsection if
25 authorized under the procedures. The foreclosing governmental unit
26 may require full payment by cash, certified check, or money order
27 at the close of each day's bidding. Not more than 30 days after the

1 date of a sale under this subsection, the foreclosing governmental
2 unit shall convey the property by deed to the person bidding the
3 highest amount above the minimum bid. The deed shall vest fee
4 simple title to the property in the person bidding the highest
5 amount above the minimum bid, unless the foreclosing governmental
6 unit discovers a defect in the foreclosure of the property under
7 sections 78 to 78/. If this state is the foreclosing governmental
8 unit within a county, the department of natural resources shall
9 conduct the sale of property under this subsection and subsections
10 (4) and (5) on behalf of this state.

11 (3) For sales held under subsection (2), after the conclusion
12 of that sale, and prior to any additional sale held under
13 subsection (2), a city, village, or township may purchase any
14 property not previously sold under subsection (1) or (2) by paying
15 the minimum bid to the foreclosing governmental unit. If a city,
16 village, or township does not purchase that property, the county in
17 which that property is located may purchase that property under
18 this section by payment to the foreclosing governmental unit of the
19 minimum bid.

20 (4) If property is purchased by a city, village, township, or
21 county under subsection (3), the foreclosing governmental unit
22 shall convey the property to the purchasing city, village, or
23 township within 30 days.

24 (5) All property subject to sale under subsection (2) shall be
25 offered for sale at not less than 2 sales conducted as required by
26 subsection (2). The final sale held under subsection (2) shall be
27 held not less than 28 days after the previous sale under subsection

1 (2). At the final sale held under subsection (2), the sale is
2 subject to the requirements of subsection (2), except that the
3 minimum bid shall not be required. However, the foreclosing
4 governmental unit may establish a reasonable opening bid at the
5 sale to recover the cost of the sale of the parcel or parcels.

6 (6) ~~On or before December 1 immediately~~ **IMMEDIATELY**
7 succeeding the date of the sale under subsection (5), a list of all
8 property not previously sold by the foreclosing governmental unit
9 under this section shall be transferred to the clerk of the city,
10 village, or township in which the property is located. The city,
11 village, or township may object in writing to the transfer of 1 or
12 more parcels of property set forth on that list. ~~On or before~~
13 ~~December 30 immediately succeeding the date of the sale under~~
14 ~~subsection (5), all~~ **ALL** property not previously sold by the
15 foreclosing governmental unit under this section shall be
16 transferred to the city, village, or township in which the property
17 is located, except those parcels of property to which the city,
18 village, or township has objected. Property located in both a
19 village and a township may be transferred under this subsection
20 only to a village. The city, village, or township may make the
21 property available under the urban homestead act, 1999 PA 127, MCL
22 125.2701 to 125.2709, or for any other lawful purpose.

23 (7) If property not previously sold is not transferred to the
24 city, village, or township in which the property is located under
25 subsection (6), the foreclosing governmental unit shall retain
26 possession of that property. If the foreclosing governmental unit
27 retains possession of the property and the foreclosing governmental

1 unit is this state, title to the property shall vest in the land
2 bank fast track authority created under section 15 of the land bank
3 fast track act, **2003 PA 258, MCL 124.765.**

4 (8) A foreclosing governmental unit shall deposit the proceeds
5 from the sale of property under this section into a restricted
6 account designated as the "delinquent tax property sales proceeds
7 for the year ____". The foreclosing governmental unit shall
8 direct the investment of the account. The foreclosing governmental
9 unit shall credit to the account interest and earnings from account
10 investments. Proceeds in that account shall only be used by the
11 foreclosing governmental unit for the following purposes in the
12 following order of priority:

13 (a) The delinquent tax revolving fund shall be reimbursed for
14 all taxes, interest, and fees on all of the property, whether or
15 not all of the property was sold.

16 (b) All costs of the sale of property for the year shall be
17 paid.

18 (c) Any costs of the foreclosure proceedings for the year,
19 including, but not limited to, costs of mailing, publication,
20 personal service, and outside contractors shall be paid.

21 (d) Any costs for the sale of property or foreclosure
22 proceedings for any prior year that have not been paid or
23 reimbursed from that prior year's delinquent tax property sales
24 proceeds shall be paid.

25 (e) Any costs incurred by the foreclosing governmental unit in
26 maintaining property foreclosed under section 78k before the sale
27 under this section shall be paid, including costs of any

1 environmental remediation.

2 (f) If the foreclosing governmental unit is not this state,
3 any of the following:

4 (i) Any costs for the sale of property or foreclosure
5 proceedings for any subsequent year that are not paid or reimbursed
6 from that subsequent year's delinquent tax property sales proceeds
7 shall be paid from any remaining balance in any prior year's
8 delinquent tax property sales proceeds account.

9 (ii) Any costs for the defense of title actions.

10 (iii) Any costs incurred in administering the foreclosure and
11 disposition of property forfeited for delinquent taxes under this
12 act.

13 (g) If the foreclosing governmental unit is this state, any
14 remaining balance shall be transferred to the land reutilization
15 fund created under section 78n.

16 (9) Two or more county treasurers of adjacent counties may
17 elect to hold a joint sale of property as provided in this section.
18 If 2 or more county treasurers elect to hold a joint sale, property
19 may be sold under this section at a location outside of the county
20 in which the property is located. The sale may be conducted by any
21 county treasurer participating in the joint sale. A joint sale held
22 under this subsection may include or be an auction sale conducted
23 via an internet website.

24 (10) The foreclosing governmental unit shall record a deed for
25 any property transferred under this section with the county
26 register of deeds. The foreclosing governmental unit may charge a
27 fee in excess of the minimum bid and any sale proceeds for the cost

1 of recording a deed under this subsection.

2 (11) As used in this section, "minimum bid" is the minimum
3 amount established by the foreclosing governmental unit for which
4 property may be sold under this section. The minimum bid shall
5 include all of the following:

6 (a) All delinquent taxes, interest, penalties, and fees due on
7 the property. If a city, village, or township purchases the
8 property, the minimum bid shall not include any taxes levied by
9 that city, village, or township and any interest, penalties, or
10 fees due on those taxes.

11 (b) The expenses of administering the sale, including all
12 preparations for the sale. The foreclosing governmental unit shall
13 estimate the cost of preparing for and administering the annual
14 sale for purposes of prorating the cost for each property included
15 in the sale.

16 (12) For property transferred to this state under subsection
17 (1), a city, village, or township under subsection (6) or retained
18 by a foreclosing governmental unit under subsection (7), all taxes
19 due on the property as of the December 31 following the transfer or
20 retention of the property are canceled effective on that December
21 31.

22 (13) For property sold under this section, transferred to this
23 state under subsection (1), a city, village, or township under
24 subsection (6), or retained by a foreclosing governmental unit
25 under subsection (7), all liens for costs of demolition, safety
26 repairs, debris removal, or sewer or water charges due on the
27 property as of the December 31 immediately succeeding the sale,

1 transfer, or retention of the property are canceled effective on
2 that December 31. This subsection does not apply to liens recorded
3 by the department of environmental quality under this act or the
4 land bank fast track authority act.

5 (14) If property foreclosed under section 78k and held by or
6 under the control of a foreclosing governmental unit is a facility
7 as defined under section 20101(1)(o) of the natural resources and
8 environmental protection act, 1994 PA 451, MCL 324.20101, prior to
9 the sale or transfer of the property under this section, the
10 property is subject to all of the following:

11 (a) Upon reasonable written notice from the department of
12 environmental quality, the foreclosing governmental unit shall
13 provide access to the department of environmental quality, its
14 employees, contractors, and any other person expressly authorized
15 by the department of environmental quality to conduct response
16 activities at the foreclosed property. Reasonable written notice
17 under this subdivision may include, but is not limited to, notice
18 by electronic mail or facsimile, if the foreclosing governmental
19 unit consents to notice by electronic mail or facsimile prior to
20 the provision of notice by the department of environmental quality.

21 (b) If requested by the department of environmental quality to
22 protect public health, safety, and welfare or the environment, the
23 foreclosing governmental unit shall grant an easement for access to
24 conduct response activities on the foreclosed property as
25 authorized under chapter 7 of the natural resources and
26 environmental protection act, 1994 PA 451, MCL 324.20101 to
27 ~~324.20302~~ **324.20519**.

1 (c) If requested by the department of environmental quality to
2 protect public health, safety, and welfare or the environment, the
3 foreclosing governmental unit shall place and record deed
4 restrictions on the foreclosed property as authorized under chapter
5 7 of the natural resources and environmental protection act, 1994
6 PA 451, MCL 324.20101 to ~~324.20302~~ **324.20519**.

7 (d) The department of environmental quality may place an
8 environmental lien on the foreclosed property as authorized under
9 section 20138 of the natural resources and environmental protection
10 act, 1994 PA 451, MCL 324.20138.

11 (15) If property foreclosed under section 78k and held by or
12 under the control of a foreclosing governmental unit is a facility
13 as defined under section 20101(1)(o) of the natural resources and
14 environmental protection act, 1994 PA 451, MCL 324.20101, prior to
15 the sale or transfer of the property under this section, the
16 department of environmental quality shall request and the
17 foreclosing governmental unit shall transfer the property to the
18 state land bank fast track authority created under section 15 of
19 the land bank fast track act, **2003 PA 258, MCL 124.765**, if all of
20 the following apply:

21 (a) The department of environmental quality determines that
22 conditions at a foreclosed property are an acute threat to the
23 public health, safety, and welfare, to the environment, or to other
24 property.

25 (b) The department of environmental quality proposes to
26 undertake or is undertaking state-funded response activities at the
27 property.

1 (c) The department of environmental quality determines that
2 the sale, retention, or transfer of the property other than under
3 this subsection would interfere with response activities by the
4 department of environmental quality.