



# HOUSE BILL No. 4965

July 21, 1993, Introduced by Reps. Martin, Owen, Sikkema, McBryde, Rocca, Jaye, Dobb, Shugars, McNutt, Brown, Gernaat, Bobier, Lowe, Johnson, Pitoniak and Galloway and referred to the Committee on Taxation.

A bill to amend section 29a of Act No. 122 of the Public Acts of 1941, entitled as amended

"An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act,"

as added by Act No. 13 of the Public Acts of 1993, being section 205.29a of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 29a of Act No. 122 of the Public Acts of  
2 1941, as added by Act No. 13 of the Public Acts of 1993, being

1 section 205.29a of the Michigan Compiled Laws, is amended to read  
2 as follows:

3       Sec. 29a. (1) If the department files for recording a lien  
4 imposed pursuant to this act against property or rights of prop-  
5 erty under the state tax lien registration act, Act No. 203 of  
6 the Public Acts of 1968, being sections 211.681 to 211.687 of the  
7 Michigan Compiled Laws, to satisfy a tax liability and the  
8 department determines that the tax liability out of which the  
9 lien arose is satisfied, the department shall file for recording  
10 a certificate of discharge, release, or nonattachment regarding  
11 the property or rights of property, as applicable, under Act  
12 No. 203 of the Public Acts of 1968 not more than 20 business days  
13 after funds to satisfy the tax liability out of which the lien  
14 arose have been applied to the taxpayer's account.

15       (2) If the department files for recording a lien imposed  
16 pursuant to this act against property or rights of property under  
17 Act No. 203 of the Public Acts of 1968 to satisfy a tax liability  
18 and the department determines that the lien is recorded or filed  
19 against property or rights of property to which the state does  
20 not have a lien under section 29, the department shall file for  
21 recording a certificate of discharge, release, or nonattachment  
22 regarding the property or rights of property, as applicable,  
23 under Act No. 203 of the Public Acts of 1968 with all due haste  
24 but not more than 3 business days after the department determines  
25 that the lien is recorded or filed against property or rights of  
26 property to which the state does not have a lien under  
27 section 29. THE CERTIFICATE OF DISCHARGE, RELEASE, OR

1 NONATTACHMENT FILED FOR RECORDING UNDER THIS SUBSECTION SHALL  
2 CLEARLY STATE THAT THE FILING OF THE LIEN WAS IN ERROR.

3 (3) If a warrant or warrant-notice of levy is issued and  
4 served upon a person to levy on property or rights of property to  
5 satisfy a tax liability and the department determines that the  
6 tax liability out of which the warrant or warrant-notice of levy  
7 arose is satisfied, the department shall serve a release of levy  
8 regarding the property or rights of property on the person who  
9 was served the warrant or warrant-notice of levy not more than 10  
10 business days after funds to satisfy the tax liability out of  
11 which the warrant or warrant-notice of levy arose have been  
12 applied to the taxpayer's account.

13 (4) If a warrant or warrant-notice of levy is issued and  
14 served upon a person to levy on property or rights of property to  
15 satisfy a tax liability and the department determines that the  
16 property or rights of property are not subject to levy under sec-  
17 tion 25(1) or (5), the department shall serve a release of levy  
18 regarding the property or rights of property on the person who  
19 was served the warrant or warrant-notice of levy with all due  
20 haste but not more than 3 business days after the department  
21 determines that the property or rights of property are not  
22 subject to levy under section 25(1) or (5). THE RELEASE OF LEVY  
23 SERVED UNDER THIS SUBSECTION SHALL CLEARLY STATE THAT THE WARRANT  
24 OR WARRANT-NOTICE OF LEVY THAT WAS ISSUED AND SERVED WAS IN  
25 ERROR.

26 (5) If a person is required to pay a fee to the department,  
27 a bank, or other financial institution as the result of an

1 erroneous recording or filing of a lien as described in  
2 subsection (2), or an erroneous issuance and service of a warrant  
3 or warrant-notice of levy as described in subsection (4), the  
4 department shall reimburse the fee to that person.