

**SUBSTITUTE FOR
SENATE BILL NO. 489**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.157) by adding sections 79, 79a, and 79b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 79. (1) FOR TAXES LEVIED AFTER DECEMBER 31, 1998, CER-
2 TIFIED ABANDONED PROPERTY IS SUBJECT TO FORFEITURE, FORECLOSURE,
3 AND SALE FOR THE ENFORCEMENT AND COLLECTION OF THE DELINQUENT
4 TAXES AS PROVIDED IN THIS SECTION AND SECTIONS 78, 78A, 78G TO
5 78N, AND SECTION 79B.

6 (2) AS USED IN THIS ACT, "CERTIFIED ABANDONED PROPERTY"
7 MEANS PROPERTY THAT HAS BEEN RETURNED AS DELINQUENT TO THE COUNTY
8 TREASURER ON MARCH 1 OF EACH TAX YEAR AND IS CERTIFIED AS CERTI-
9 FIED ABANDONED PROPERTY UNDER THE CERTIFICATION OF ABANDONED
10 PROPERTY FOR ACCELERATED FORFEITURE ACT.

SB 489, As Passed Senate, May 18, 1999

Senate Bill No. 489 as amended May 13, 1999

2

1 SEC. 79A. ON THE MAY 1 SUCCEEDING THE MARCH 1 THAT UNPAID
2 TAXES ARE RETURNED TO THE COUNTY TREASURERS AS DELINQUENT UNDER
3 SECTION 78A, THE COUNTY TREASURER SHALL ADD A \$35.00 FEE ON EACH
4 PARCEL OF CERTIFIED ABANDONED PROPERTY FOR WHICH THE DELINQUENT
5 TAXES, INTEREST, PENALTIES, AND FEES REMAIN UNPAID.

6 SEC. 79B. (1) A PERSON WHO HOLDS A TAX DEED ISSUED ON
7 ABANDONED PROPERTY MAY QUIET TITLE TO THAT ABANDONED PROPERTY IN
8 THE CIRCUIT COURT OF THAT COUNTY IN WHICH THE ABANDONED PROPERTY
9 IS LOCATED BY DOING ALL OF THE FOLLOWING:

10 (A) THE TAX DEED HOLDER OR HIS OR HER AUTHORIZED AGENT CON-
11 DUCTS A TITLE SEARCH ON THE ABANDONED PROPERTY.

12 (B) AFTER CONDUCTING THE TITLE SEARCH AS PROVIDED IN SUBDI-
13 VISION (A), THE TAX DEED HOLDER OR HIS OR HER AUTHORIZED AGENT
14 SENDS NOTICE BY MAIL, RETURN RECEIPT REQUESTED, TO THE OWNER AND
15 TO ALL PERSONS WITH A LEGAL INTEREST IN EACH PARCEL OF ABANDONED
16 PROPERTY SUBJECT TO ACCELERATED FORECLOSURE UNDER THIS SECTION, AS
17 DETERMINED BY THE RECORDS IN THE OFFICE OF THE REGISTER OF DEEDS AND
18 IN RECORDS MAINTAINED BY THE COUNTY TREASURER AND THE STATE
19 TREASURER. IF, FOR ANY REASON, THE NOTICE CANNOT BE DELIVERED TO THE
20 LAST RECORDED ADDRESS OF THE OWNER OR PERSONS WITH A LEGAL INTEREST
21 IN THE ABANDONED PROPERTY, NOTICE SHALL BE MADE BY PUBLICATION. THE
22 NOTICE SHALL BE PUBLISHED FOR 4 SUCCESSIVE WEEKS, ONCE EACH WEEK,
23 IN A NEWSPAPER PUBLISHED AND CIRCULATED IN THE COUNTY IN WHICH
24 THE PARCEL IS LOCATED, IF THERE IS ONE. IF NO NEWSPAPER IS
25 PUBLISHED IN THE COUNTY WHERE THE PARCEL IS LOCATED, PUBLICATION
26 SHALL BE MADE IN A NEWSPAPER PUBLISHED AND CIRCULATED IN AN
27 ADJOINING COUNTY. PUBLICATION UNDER THIS SUBDIVISION IS SUBJECT

SB 489, As Passed Senate, May 18, 1999

Senate Bill No. 489 as amended May 13, 1999
as amended May 18, 1999

3

1 TO THE REQUIREMENTS SET FORTH IN SECTION 65.

2 (C) AT THE REQUEST OF THE TAX DEED HOLDER, THE BUILDING
3 INSPECTOR OF THE MUNICIPALITY IN WHICH THE PROPERTY IS LOCATED
4 INSPECTS THE PROPERTY AND EXECUTES AN AFFIDAVIT ATTESTING THAT THE
5 ABANDONED PROPERTY IS VACANT, DILAPIDATED, OR OPEN TO ENTRANCE
6 OR TRESPASS. THE COST OF THE INSPECTION SHALL BE PAID BY THE TAX
7 DEED HOLDER AND SHALL BE INCLUDED IN THE AMOUNT NECESSARY TO REDEEM
8 THE PROPERTY.

9 (D) THE TAX DEED HOLDER OR HIS OR HER AUTHORIZED AGENT POSTS A
10 NOTICE ON THE ABANDONED PROPERTY NOT LESS THAN 90 DAYS BEFORE A
11 FORECLOSURE ACTION IS BROUGHT UNDER THIS SUBSECTION.

12 (E) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL INCLUDE,
13 BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

14 (i) THE LEGAL DESCRIPTION, PARCEL NUMBER, AND, IF KNOWN, THE
15 STREET ADDRESS OF THE ABANDONED PROPERTY.

16 (ii) A STATEMENT OF THE TOTAL AMOUNT THAT MUST BE PAID TO THE
17 COUNTY TREASURER TO REDEEM THE ABANDONED PROPERTY WITHIN 90 DAYS OF
18 RECEIPT OF THE NOTICE, INCLUDING FEES TO COVER THE COST OF A TITLE
19 SEARCH, PUBLICATION, AND INSPECTION BY THE MUNICIPAL BUILDING
20 INSPECTOR.

21 (iii) A STATEMENT OF THE PERSON'S RIGHTS OF REDEMPTION AND
22 NOTICE THAT THE RIGHTS OF REDEMPTION WILL EXPIRE 90 DAYS AFTER THE
23 PERSON HAS RECEIVED NOTICE BY MAIL OR PUBLICATION.

24 (iv) A STATEMENT THAT UNLESS THE TAXES, INTEREST, PENALTIES,
25 AND FEES ARE PAID BEFORE THE 90-DAY REDEMPTION PERIOD EXPIRES AND A
26 JUDGMENT OF FORECLOSURE IS ENTERED, TITLE TO THE ABANDONED PROPERTY
27 SHALL VEST ABSOLUTELY IN THE PETITIONING TAX DEED HOLDER.

SB 489, As Passed Senate, May 18, 1999

Senate Bill No. 489 as amended May 13, 1999

4

1 (F) IF THE ABANDONED PROPERTY IS NOT REDEEMED BY THE OWNER OR
2 A PERSON WITH A LEGAL INTEREST IN THE ABANDONED PROPERTY BY PAYMENT
3 TO THE COUNTY TREASURER WITHIN 90 DAYS OF SERVICE OF THE NOTICE,
4 THE TAX DEED HOLDER MAY BRING AN ACTION IN THE CIRCUIT COURT OF THE
5 COUNTY IN WHICH THE ABANDONED PROPERTY IS LOCATED AND PETITION THE
6 COURT TO ISSUE A JUDGMENT TO QUIET TITLE IN FAVOR OF THE TAX DEED
7 HOLDER. THE TAX DEED HOLDER SHALL PROVIDE ALL OF THE FOLLOWING TO
8 THE CIRCUIT COURT:

9 (i) AN AFFIDAVIT FROM THE BUILDING INSPECTOR OF THE
10 MUNICIPALITY AS PROVIDED IN SUBDIVISION (C).

11 (ii) A TITLE SEARCH ON THE ABANDONED PROPERTY THAT IDENTIFIES
12 ALL OWNERS AND PERSONS WITH A LEGAL INTEREST IN THE ABANDONED
13 PROPERTY AS DETERMINED BY THE RECORDS MAINTAINED IN THE OFFICE OF
14 THE REGISTER OF DEEDS, THE COUNTY TREASURER, AND THE STATE
15 TREASURER.

16 (iii) PROOFS OF SERVICE REQUIRED UNDER THIS SECTION. IF A TAX
17 DEED HOLDER FAILS TO SERVE NOTICE ON 1 OR MORE PERSONS WITH A LEGAL
18 INTEREST IN THE ABANDONED PROPERTY AS REQUIRED UNDER THIS SECTION,
19 SERVICE ON ANY OTHER PERSON IS NOT INVALIDATED AND THE REDEMPTION
20 PERIOD FOR ANY OTHER PERSON IS NOT STAYED OR EXTENDED.

21 (iv) AN AFFIDAVIT FROM THE COUNTY TREASURER CERTIFYING TO THE
22 LACK OF PAYMENT WITHIN THE 90-DAY REDEMPTION PERIOD.

23 (2) IF THE CIRCUIT COURT ENTERS A JUDGMENT IN FAVOR OF THE
24 PETITIONING TAX DEED HOLDER, THE CIRCUIT COURT SHALL FORECLOSE THE
25 ABANDONED PROPERTY AS REQUESTED IN THE PETITION FOR FORECLOSURE.
26 THE CIRCUIT COURT'S JUDGMENT SHALL SPECIFY ALL OF THE FOLLOWING:

27 (A) THE LEGAL DESCRIPTION AND, IF KNOWN, THE STREET ADDRESS

SB 489, As Passed Senate, May 18, 1999

Senate Bill No. 489 as amended May 13, 1999

5

1 AND PARCEL NUMBER OF THE ABANDONED PROPERTY FORECLOSED.

2 (B) THAT FEE SIMPLE TITLE TO THE ABANDONED PROPERTY FORECLOSED
3 BY THE JUDGMENT IS VESTED ABSOLUTELY IN THE PETITIONING TAX DEED
4 HOLDER WITHOUT ANY FURTHER RIGHTS OF REDEMPTION.

5 (C) THAT, AS OF THE DATE OF THE JUDGMENT, ALL DELINQUENT
6 PROPERTY TAXES, DEMOLITION LIENS, AND ALL OTHER MUNICIPAL LIENS OF
7 ANY KIND, EXCEPT FUTURE INSTALLMENTS OF SPECIAL ASSESSMENTS, ARE
8 EXTINGUISHED.

9 (D) THAT ALL EXISTING RECORDED AND UNRECORDED INTERESTS IN THAT
10 PROPERTY ARE EXTINGUISHED, EXCEPT A VISIBLE OR RECORDED EASEMENT OR
11 RIGHT-OF-WAY.

12 (E) THAT THE PETITIONING TAX DEED HOLDER HAS GOOD AND
13 MARKETABLE FEE SIMPLE TITLE TO THE PROPERTY.

14 (3) IF A JUDGMENT FOR FORECLOSURE IS ENTERED UNDER SUBSECTION

15 (2) AND ALL EXISTING RECORDED AND UNRECORDED INTERESTS IN A
16 PARCEL OF PROPERTY ARE EXTINGUISHED AS PROVIDED IN THE JUDGMENT, THE
17 OWNERS OF ANY EXTINGUISHED RECORDED OR UNRECORDED INTEREST IN THAT
18 PROPERTY SHALL NOT BRING AN ACTION FOR POSSESSION OF THE PROPERTY
19 AGAINST ANY SUBSEQUENT OWNER, BUT MAY ONLY BRING AN ACTION TO
20 RECOVER MONETARY DAMAGES. AN ACTION TO RECOVER MONETARY DAMAGES
21 UNDER THIS SUBSECTION SHALL NOT BE BROUGHT MORE THAN 2 YEARS AFTER A
22 JUDGMENT FOR FORECLOSURE IS ENTERED UNDER SUBSECTION (2). MONETARY
23 DAMAGES SHALL BE DETERMINED AS OF THE DATE A JUDGMENT FOR
24 FORECLOSURE IS ENTERED UNDER SUBSECTION (2)."

25 Enacting section 1. This amendatory act does not take
26 effect unless all of the following bills of the 90th Legislature
27 are enacted into law:

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SB 489, As Passed Senate, May 18, 1999

Senate Bill No. 489 as amended May 14, 1999

6

- 1 (a) Senate Bill No. 343.
- 2 (b) Senate Bill No. 487.
- 3 (c) Senate Bill No. 488.