

SUBSTITUTE FOR
HOUSE BILL NO. 5810

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 44f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 44f. (1) There is created in the department of treasury a
2 summer 2020 property tax advance payment program, to be
3 administered by the department, under which each county in this
4 state shall provide eligible local tax collecting units in the
5 county with advance payment of summer 2020 property taxes due and
6 payable on property for which the collection of those taxes has
7 been deferred under section 44e. All of the following apply to this
8 program:

9 (a) To be eligible for receipt of an advance payment, a local



1 tax collecting unit must submit an application to the county's
2 treasurer in a form and manner prescribed by the department of
3 treasury by not later than September 11, 2020. The application must
4 be accompanied by copies of all deferment-application statements
5 and affidavits properly submitted to the local tax collecting unit
6 pursuant to section 44e(2) (b) and the associated summer 2020
7 property tax bills for those applications.

8 (b) Based on applications properly submitted to the county
9 treasurer under subdivision (a), the county treasurer shall, by not
10 later than September 18, 2020, submit to the department of treasury
11 an application for short-term state financing described in
12 subdivision (c). The application must be submitted in a form and
13 manner prescribed by the department of treasury and must include,
14 in addition to any other information the department considers
15 necessary, information sufficient to determine, by parcel
16 identification number, each parcel of property in the county for
17 which advance payment of deferred summer 2020 property taxes is
18 sought, the amount of the payment sought for each parcel, and the
19 total amount sought for all parcels in the county.

20 (c) By not later than November 13, 2020, the department of
21 treasury shall provide short-term state financing for advance
22 payments to be made by each county to eligible local tax collecting
23 units in the county, to the extent those payments are supported by
24 documentation required under subdivisions (a) and (b). Funds
25 necessary to support the short-term state financing under this
26 subdivision may be obtained from any appropriate source, including,
27 but not limited to, notes or bonds issued by the Michigan finance
28 authority created by Executive Reorganization Order No. 2010-2, MCL
29 12.194.



1 (d) The county shall make advance payments financed under
2 subdivision (c) to eligible local tax collecting units in the
3 county by not later than December 1, 2020.

4 (e) The short-term state financing described in subdivision
5 (c) is an interest-free loan provided to the county that the county
6 shall repay to this state from any source available to the county,
7 including, but not limited to, a delinquent tax revolving fund
8 established by the county under this act for payment of summer 2020
9 property taxes returned as delinquent under section 78a. This
10 repayment is due by not later than the earlier of the following
11 dates:

12 (i) The date that section 87b(3) would have required payment of
13 delinquent summer 2020 property taxes from the county's delinquent
14 tax revolving fund to the various taxing units had there been no
15 advance payment of those taxes to those taxing units pursuant to
16 the advance payment program under this section.

17 (ii) June 1, 2021.

18 (2) An eligible local tax collecting unit shall distribute any
19 advance payment received under subsection (1)(d) at the same times
20 and in the same manner and proportions as it would distribute a
21 payment from the property's owner collected by the eligible local
22 tax collecting unit pursuant to this act.

23 (3) If an eligible local tax collecting unit that receives an
24 advance payment under subsection (1)(d) subsequently receives
25 payment of the tax from a property owner or other person, the
26 eligible local tax collecting unit shall transmit that payment to
27 the county.

28 (4) A county's advance payment of deferred summer 2020
29 property taxes under subsection (1)(d) is not made on behalf of the



1 property's owner and those taxes remain due and payable from the
2 property's owner, and unless those taxes have been paid by or on
3 behalf of the property's owner by not later than the last day that
4 summer 2020 property taxes are due and payable before being
5 returned as delinquent to the county treasurer under section 78a,
6 the eligible local tax collecting unit shall return those taxes as
7 delinquent to the county treasurer under section 78a and the
8 property will be subject to forfeiture, foreclosure, and sale for
9 the enforcement and collection of those delinquent taxes as
10 provided in sections 78 to 79a. Upon the return of those delinquent
11 taxes, the primary obligation to pay to the county the amount of
12 those delinquent taxes and any interest due on those delinquent
13 taxes rests with the local taxing units and this state for the
14 state education tax under the state education tax act, 1993 PA 331,
15 MCL 211.901 to 211.906, as provided in section 87b, and if those
16 delinquent taxes are not received by the county on behalf of the
17 local taxing units and this state for any reason, the county has
18 full right of recourse against the local taxing units or this state
19 for the state education tax under the state education tax act, 1993
20 PA 331, MCL 211.901 to 211.906, to recover the amount of the
21 delinquent taxes and any interest due on those delinquent taxes, as
22 also provided in section 87b.

23 (5) As used in this section:

24 (a) "Eligible local tax collecting unit" means a local tax
25 collecting unit that collects a summer 2020 property tax, including
26 a village that collects a summer 2020 property tax, to which
27 deferment-application statements and affidavits have been properly
28 submitted under section 44e(2)(b), and that meets the eligibility
29 requirements provided for in subsection (1)(b).



1 (b) "Summer 2020 property tax" means that term as defined in
2 section 44e.

3 Enacting section 1. This amendatory act does not take effect
4 unless House Bill No. 5761 of the 100th Legislature is enacted into
5 law.

