

**THE GENERAL PROPERTY TAX ACT (EXCERPT)**  
**Act 206 of 1893**

**211.44 Collection of taxes; mailing and contents of tax statement; failure to send or receive notice; time and place for receiving taxes; property tax administration fees; return of excess; cost of appeals; waiver of interest, penalty charge, or property tax administration fee; use of fee; cost of treasurer's bond; enforcement of collection; seizing property or bringing action; amounts includable in return of delinquent taxes; distributions by county treasurer; local governing body authorization for imposition of fees or late penalty charges; annual statement; taxes levied after December 31, 2001 on qualified real property; definitions.**

Sec. 44. (1) Upon receipt of the tax roll, the township treasurer or other collector shall proceed to collect the taxes. The township treasurer or other collector shall mail to each taxpayer at the taxpayer's last known address on the tax roll or to the taxpayer's designated agent a statement showing the description of the property against which the tax is levied, the taxable value of the property, the amount of the tax on the property, and, for property returned to the county treasurer for delinquent taxes, in the year in which the property is returned to the county treasurer for delinquent taxes only, notice of the fact that as of March 1 there were delinquent taxes on the property, that those delinquent taxes were returned to the county treasurer for collection, and contact information for the county treasurer. However, if not later than 2 weeks before the tax bill is finalized, a local tax collecting unit receives from the county notice that previously delinquent taxes on a parcel of property are no longer delinquent, the statement for that property under this subsection is not required to include notice of the fact that as of March 1 there were delinquent taxes on the property, that those delinquent taxes were returned to the county treasurer for collection, and contact information for the county treasurer. If a tax statement is mailed to the taxpayer, a tax statement sent to a taxpayer's designated agent may be in a summary form or may be in an electronic data processing format. If the tax statement information is provided to both a taxpayer and the taxpayer's designated agent, the tax statement mailed to the taxpayer may be identified as an informational copy. A township treasurer or other collector electing to send a tax statement to a taxpayer's designated agent or electing not to include an itemization in the manner described in subsection (10)(d) in a tax statement mailed to the taxpayer shall, upon request, mail a detailed copy of the tax statement, including an itemization of the amount of tax in the manner described by subsection (10)(d), to the taxpayer without charge.

(2) The expense of preparing and mailing the statement shall be paid from the county, township, city, or village funds. Failure to send or receive the notice does not prejudice the right to collect or enforce the payment of the tax. The township treasurer shall remain in the office of the township treasurer at some convenient place in the township from 9 a.m. to 5 p.m. to receive taxes on the following days:

(a) At least 1 business day between December 25 and December 31 unless the township has an arrangement with a local financial institution to receive taxes on behalf of the township treasurer and to forward that payment to the township on the next business day. The township shall provide timely notification of which financial institutions will receive taxes for the township and which days the treasurer will be in the office to receive taxes.

(b) The last day that taxes are due and payable before being returned as delinquent under section 78a(2).

(c) For the collection of a summer tax levy, the last day taxes are due and payable before interest is added under section 44a(5).

(3) Except as provided by subsection (7), on a sum voluntarily paid before February 15 of the succeeding year, the local property tax collecting unit shall add a property tax administration fee of not more than 1% of the total tax bill per parcel. However, unless otherwise provided for by an agreement between the assessing unit and the collecting unit, if a local property tax collecting unit other than a village does not also serve as the local assessing unit, the excess of the amount of property tax administration fees over the expense to the local property tax collecting unit in collecting the taxes, but not less than 80% of the fee imposed, shall be returned to the local assessing unit. A property tax administration fee is defined as a fee to offset costs incurred by a collecting unit in assessing property values, in collecting the property tax levies, and in the review and appeal processes. The costs of any appeals, in excess of funds available from the property tax administration fee, may be shared by any taxing unit only if approved by the governing body of the taxing unit. Except as provided by subsection (7), on all taxes paid after February 14 and before taxes are returned as delinquent under section 78a(2) the governing body of a city or township may authorize the treasurer to add to the tax a property tax administration fee to the extent imposed on taxes paid before February 15 and the day that taxes are returned as delinquent under section 78a(2) a late penalty charge equal to 3% of the tax. The governing

body of a city or township may waive interest from February 15 to the last day of February on a summer property tax that has been deferred under section 51 or any late penalty charge for the homestead property of a senior citizen, paraplegic, quadriplegic, hemiplegic, eligible serviceperson, eligible veteran, eligible widow or widower, totally and permanently disabled person, or blind person, as those persons are defined in chapter 9 of the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if the person makes a claim before February 15 for a credit for that property provided by chapter 9 of the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if the person presents a copy of the form filed for that credit to the local treasurer, and if the person has not received the credit before February 15. The governing body of a city or township may waive interest from February 15 to the day taxes are returned as delinquent under section 78a(2) on a summer property tax deferred under section 51 or any late penalty charge for a person's property that is subject to a farmland development rights agreement recorded with the register of deeds of the county in which the property is situated as provided in section 36104 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36104, if the person presents a copy of the development rights agreement or verification that the property is subject to a development rights agreement before February 15. A 4% county property tax administration fee, a property tax administration fee to the extent imposed on and if authorized under subsection (7) for taxes paid before taxes are returned as delinquent under section 78a(2), and interest on the tax at the rate of 1% per month shall be added to taxes collected by the township or city treasurer after the last day taxes are payable before being returned as delinquent under section 78a(2) and before settlement with the county treasurer, and the payment shall be treated as though collected by the county treasurer. If the statements required to be mailed by this section are not mailed before December 31, the treasurer shall not impose a late penalty charge on taxes collected after February 14.

(4) The governing body of a local property tax collecting unit may waive all or part of the property tax administration fee or the late penalty charge, or both. A property tax administration fee collected by the township treasurer shall be used only for the purposes for which it may be collected as specified by subsection (3) and this subsection. If the bond of the treasurer, as provided in section 43, is furnished by a surety company, the cost of the bond may be paid by the township from the property tax administration fee.

(5) If apprehensive of the loss of personal tax assessed upon the roll, the township treasurer may enforce collection of the tax at any time, and if compelled to seize property or bring an action in December may add, if authorized under subsection (7), a property tax administration fee of not more than 1% of the total tax bill per parcel and 3% for a late penalty charge.

(6) Along with taxes returned delinquent to a county treasurer, the amount of the property tax administration fee prescribed by subsection (3) that is imposed and not paid shall be included in the return of delinquent taxes and, when delinquent taxes are distributed by the county treasurer under this act, the delinquent property tax administration fee shall be distributed to the treasurer of the local unit who transmitted the statement of taxes returned as delinquent. Interest imposed upon delinquent property taxes under this act shall also be imposed upon the property tax administration fee and, for purposes of this act other than for the purpose of determining to which local unit the county treasurer shall distribute a delinquent property tax administration fee, any reference to delinquent taxes shall be considered to include the property tax administration fee returned as delinquent for the same property.

(7) The local property tax collecting treasurer shall not impose a property tax administration fee, collection fee, or any type of late penalty charge authorized by law or charter unless the governing body of the local property tax collecting unit approves, by resolution or ordinance adopted after December 31, 1982, an authorization for the imposition of a property tax administration fee, collection fee, or any type of late penalty charge provided for by this section or by charter, which authorization shall be valid for all levies that become a lien after the resolution or ordinance is adopted. However, unless otherwise provided for by an agreement between the assessing unit and the collecting unit, a local property tax collecting unit that does not also serve as the assessing unit shall impose a property tax administration fee on each parcel at a rate equal to the rate of the fee imposed for city or township taxes on that parcel.

(8) The annual statement required by 1966 PA 125, MCL 565.161 to 565.164, or a monthly billing form or mortgagor passbook provided instead of that annual statement shall include a statement to the effect that a taxpayer who was not mailed the tax statement or a copy of the tax statement by the township treasurer or other collector shall receive, upon request and without charge, a copy of the tax statement from the township treasurer or other collector or, if the tax statement has been mailed to the taxpayer's designated agent, from either the taxpayer's designated agent or the township treasurer or other collector. A designated agent who is subject to 1966 PA 125, MCL 565.161 to 565.164, and who has been mailed the tax statement for taxes that became a lien in the calendar year immediately preceding the year in which the annual statement may be required to be furnished shall mail, upon request and without charge to a taxpayer who was not mailed that tax statement or a copy of that tax statement, a copy of that tax statement.

(9) For taxes levied after December 31, 2001, if taxes levied on qualified real property remain unpaid on February 15, all of the following shall apply:

(a) The unpaid taxes on that qualified real property shall be collected in the same manner as unpaid taxes levied on personal property are collected under this act.

(b) Unpaid taxes on qualified real property shall not be returned as delinquent to the county treasurer for forfeiture, foreclosure, and sale under sections 78 to 79a.

(c) If a county treasurer discovers that unpaid taxes on qualified real property have been returned as delinquent for forfeiture, foreclosure, and sale under sections 78 to 79a, the county treasurer shall return those unpaid taxes to the appropriate local tax collection unit for collection as provided in subdivision (a).

(10) As used in this section:

(a) "Designated agent" means an individual, partnership, association, corporation, receiver, estate, trust, or other legal entity that has entered into an escrow account agreement or other agreement with the taxpayer that obligates that individual or legal entity to pay the property taxes for the taxpayer or, if an agreement has not been entered into, that was designated by the taxpayer on a form made available to the taxpayer by the township treasurer and filed with that treasurer. The designation by the taxpayer shall remain in effect until revoked by the taxpayer in a writing filed with the township treasurer. The form made available by the township treasurer shall include a statement that submission of the form allows the treasurer to mail the tax statement to the designated agent instead of to the taxpayer and a statement notifying the taxpayer of his or her right to revoke the designation by a writing filed with the township treasurer.

(b) "Qualified real property" means buildings and improvements located upon leased real property that are assessed as real property under section 2(1)(c), except buildings and improvements exempt under section 9f, if the value of the buildings or improvements is not otherwise included in the assessment of the real property.

(c) "Taxpayer" means the owner of the property on which the tax is imposed.

(d) When describing in subsection (1) that the amount of tax on the property must be shown in the tax statement, "amount of tax" means an itemization by dollar amount of each of the several ad valorem property taxes and special assessments that a person may pay under section 53 and an itemization by millage rate, on either the tax statement or a separate form accompanying the tax statement, of each of the several ad valorem property taxes that a person may pay under section 53. The township treasurer or other collector may replace the itemization described in this subdivision with a statement informing the taxpayer that the itemization of the dollar amount and millage rate of the taxes is available without charge from the local property tax collecting unit.

**History:** 1893, Act 206, Eff. June 12, 1893;—CL 1897, 3867;—Am. 1915, Act 187, Eff. Aug. 24, 1915;—CL 1915, 4039;—Am. 1929, Act 217, Eff. Aug. 28, 1929;—CL 1929, 3434;—Am. 1931, Act 88, Eff. Sept. 18, 1931;—Am. 1932, 1st Ex. Sess., Act 21, Imd. Eff. May 6, 1932;—Am. 1945, Act 8, Imd. Eff. Feb. 15, 1945;—CL 1948, 211.44;—Am. 1951, Act 85, Eff. Sept. 28, 1951;—Am. 1952, Act 251, Eff. Sept. 18, 1952;—Am. 1959, Act 216, Eff. Mar. 19, 1960;—Am. 1961, Act 144, Eff. Sept. 8, 1961;—Am. 1964, Act 275, Eff. Aug. 28, 1964;—Am. 1965, Act 411, Imd. Eff. Nov. 3, 1965;—Am. 1968, Act 277, Imd. Eff. July 1, 1968;—Am. 1977, Act 166, Imd. Eff. Nov. 16, 1977;—Am. 1980, Act 427, Imd. Eff. Jan. 13, 1981;—Am. 1982, Act 503, Imd. Eff. Dec. 31, 1982;—Am. 1983, Act 88, Imd. Eff. June 16, 1983;—Am. 1984, Act 399, Imd. Eff. Dec. 28, 1984;—Am. 1988, Act 388, Imd. Eff. Dec. 21, 1988;—Am. 1989, Act 124, Imd. Eff. June 28, 1989;—Am. 1994, Act 415, Imd. Eff. Dec. 29, 1994;—Am. 1996, Act 57, Imd. Eff. Feb. 26, 1996;—Am. 2000, Act 364, Imd. Eff. Jan. 2, 2001;—Am. 2002, Act 479, Imd. Eff. June 27, 2002;—Am. 2002, Act 641, Eff. Mar. 31, 2003;—Am. 2008, Act 352, Imd. Eff. Dec. 23, 2008;—Am. 2011, Act 126, Imd. Eff. July 21, 2011;—Am. 2012, Act 482, Imd. Eff. Dec. 28, 2012.

**Constitutionality:** The Prison Reimbursement Act was intended to apply to all inmates of the state penal system and was not limited to the inmates of the three penal institutions named in the act and in existence at the time of its passage; nor is the act violative of the constitutional guarantee of equal protection. *State Treasurer v Wilson*, 423 Mich 138; 347 NW2d 770 (1985).

The collection fee imposed by the General Property Tax Act upon property taxes voluntarily paid before February 15 of the year following the issuance of a tax bill does not, on its face, create separate classifications that invoke an equal protection challenge under the Michigan Constitution. *Rouge Parkway Associates v Wayne*, 423 Mich 411; 364 NW2d 849 (1985).

**Compiler's note:** Section 2 of Act 503 of 1982 provides: "The designation, by this amendatory act, of collection fees as property tax administration fees is intended to clarify the legislative intent and cure any misinterpretation surrounding the fact that a "collection fee" is imposed to cover all costs necessary and incident to the collection of property taxes, including the costs of assessing property values and in the review and appeal processes."

**Popular name:** Act 206