



## Michigan Association OF County Treasurers

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**FOR IMMEDIATE RELEASE**

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### **County treasurers support bills to update tax foreclosure legislation**

**Charlotte, Mich.** – The Michigan Association of County Treasurers support the recent passage of Senate Bill 1137, proposed by Michigan Senator Jim Runestad (R-White Lake) and Senate Bill 676 proposed Peter J. Lucido (R-Macomb) and look forward to their passage in the House as well. House Bill 6268 by State Representative Brandt Iden (R-Kalamazoo), which also addresses tax foreclosure, is awaiting a vote by House members hopefully yet this week.

The bills allow for a fair and equitable solution to the Michigan Supreme Court’s July 17 ruling that those who have property foreclosed for unpaid property taxes have a common-law right to any remaining proceeds from the sale of the property, after taxes, interest, penalties, fees and costs have been paid.

The work of county treasurers statewide prevented 97.5 percent of property tax foreclosures in 2019. As the experts in the state on tax foreclosure, MACT appreciates being closer to having clarity on how to proceed with implementing this most recent update to the General Property Tax Act. The Act is what dictates how treasurers do their jobs.

“The Michigan Association of County Treasurers wants to follow the direction of the supreme court as we continue to prevent foreclosure whenever possible,” said Nash. “County treasurers across the state use a variety of methods and numerous community resources to help people pay their taxes and avoid foreclosure. We want to help taxpayers who go through the unfortunate process of property tax foreclosure while still maintaining a fair and equitable recovery of remaining foreclosure sale proceeds.”

The proposed legislation changes current tax law and would allow people to request the remaining proceeds from the sale of tax-foreclosed property through the judge who ordered the foreclosure. Current tax law requires excess funds of sold properties to be deposited with the county treasurer. If passed, the new law would let people who cannot pay their property taxes to avoid foreclosure receive any remaining proceeds resulting from the sale of the property. Once a judge determines the amount owed to a claimant, the county treasurer would disburse the funds in accordance with the judge’s order within 21 days. Anyone with interest in the property could file a claim to remaining sale proceeds after required taxes, interest, penalties, fees and costs have been covered.