

# **MICHIGAN ASSOCIATION OF COUNTY TREASURERS**

## **House Bill No. 4055 (Parcel Split Tax Certification)**

The Michigan Association of County Treasurers (MACT) supports House Bill 4055.

### ***Why do County Treasurers care?***

County treasurers are responsible for collecting unpaid real property taxes. They also advance funds to local tax collecting units to help assure that cities, townships, school districts, counties, libraries, the State of Michigan, and other taxing units receive 100% of property taxes owed in a timely manner. Collecting these taxes can become a much more challenging if not impossible effort when a parcel split is approved and new legal descriptions of the property are created prior to certifying that all previously owed taxes on the original property were paid.

### ***What does HB 4055 do?***

Under current law, a property owner seeking a parcel split must apply to their local municipality or county. This application must include accurate and adequate legal descriptions for each proposed parcel, accessibility, and adequate easements.

House Bill 4055, would require the full payment of property taxes due on a parcel before the parcel can be split into multiple parcels. This is important for two reasons:

- **Fairness:** If a taxpayer is asking their local government to allow them to divide their property, they should pay taxes owed on the property, just like everyone else does.
- **Efficiency:** When a parcel is split, new legal descriptions and parcel numbers are created. Delinquent taxes that are attached to the old parcel Number and legal description become much more difficult if not impossible to collect.

HB 4055 is a common-sense bill that ensures property taxes are paid in full before splitting parcels and protects taxpayers.