



**KENNETH D. PARRISH**  
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**Land Division Tax Payment Certification Form**

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Owner Address: \_\_\_\_\_

Owner City, State, Zip: \_\_\_\_\_

Property Address: \_\_\_\_\_

Property City, State, Zip: \_\_\_\_\_

Parcel ID Number: \_\_\_\_\_

Attach a description of the parcel to be divided

\_\_\_\_\_

**CERTIFICATION DENIED**

The Kent County Treasurer's Office has found delinquent taxes on the parcel listed above and cannot issue a certification of tax payment.

Delinquent Taxes Owed: \_\_\_\_\_

**CERTIFICATION APPROVED**

Pursuant to House Bill 4055, the Kent County Treasurer's Office certifies that all property taxes and special assessments due to the above parcel subject to the proposed division for the five years preceding the date of the application have been paid. This certification does not include taxes, if any, now in the process of collection by the City, Village or Township Treasurer.

Certified by: \_\_\_\_\_ Date Certified: \_\_\_\_\_

# Legislative Analysis



## TAX PAYMENT CERTIFICATION PRIOR TO LAND DIVISION

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

House Bill 4055 (H-2) as reported from committee  
Sponsor: Rep. Bradley Slagh  
1st Committee: Local Government and Municipal Finance  
2nd Committee: Ways and Means  
Complete to 3-12-19

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Act 23 of 2019)*

**BRIEF SUMMARY:** House Bill 4055 would amend the Land Division Act to require one or both of the following as a condition for approval of any proposed division of a parcel or tract of land under the act:

- The payment of all property taxes and special assessments due on the parcel or tract.
- The apportionment of unpaid property taxes and special assessments by the assessing officer overseeing the division.

**FISCAL IMPACT:** To the extent that there are outstanding property taxes over the five preceding years on a parcel designated to be divided into smaller parcels and the parties chose the option of paying off unpaid property taxes or special assessments to facilitate the land division, there would presumably be an increase in state and local property tax revenue. Because the parcels to which the bill would apply cannot be identified, the impact on property tax revenue cannot be determined. The alternative option of apportioning unpaid property taxes and special assessments would result in an unknown fiscal impact on state and local property tax revenues.

### **THE APPARENT PROBLEM:**

When selling a large parcel of land, sellers may desire to divide it to sell as smaller, separate parcels. If a lien on outstanding property taxes had been placed on the parcel of land prior to its subdivision and the smaller parcels are sold off, it can create confusion concerning who has responsibility for paying the outstanding taxes on the property, possibly resulting in those taxes never being paid or resulting in their payment by the purchasing party.

### **THE CONTENT OF THE BILL:**

Section 109 of the Land Division Act currently requires that a local or county official who has authority to approve or disapprove a proposed division of land must approve a complete application for division if certain conditions are met, such as those concerning the size, shape, or accessibility of the resulting parcels. The bill would add that one of the two following conditions must also be met:

- All property taxes and special assessments due on a soon-to-be-divided tract of land for the preceding five years must be paid, as established by a certificate from the treasurer of the county in which the parcel is located. If the date of the application is on or after March 1 of that year and before the treasurer of the local tax collecting unit has made his or her return of current delinquent taxes, then the county treasurer would have to include on his or her certificate a notation that the return of current delinquent taxes was not available for examination. The official with authority over the application for land division would be prohibited from disapproving any application due to the