

## PUBLIC ACT 123 QUESTIONS AND ANSWERS

**Q. If I don't pay my taxes, will I really lose my house and property?**

**A. YES.** Property owners who had delinquent taxes under the old law could also lose their property, but they had more time to pay and more "second chances." **Under the new law, if your taxes are delinquent for two (2) years, you will lose your property.**

**Q. What is a delinquent tax?**

**A.** A delinquent tax is a tax that has been forwarded to the county treasurer for collection on March 1 of the year after it was due. For example, taxes that were billed by your city or township treasurer in 2001 were returned delinquent to the county treasurer on March 1, 2002.

**Q. What happens after the property is forwarded to the county treasurer for collection?**

**A.** The county treasurer adds a 4% administration fee and interest of 1% per month. After one (1) year, the property is **forfeited** to the county treasurer. For example, the 2000 taxes that are unpaid as of March 1, 2002 will go into **forfeiture**.

**Q. What does it mean for my property to be in forfeiture? Does that mean I lose my property?**

**A.** No. Forfeiture is not foreclosure. If your property is in forfeiture, you still have a year before it will be foreclosed. However, the interest and fees will be higher. **When a property is forfeited, the interest rate goes from 1% per month to 1.5% per month, back to the date the taxes became delinquent. A \$175 fee is also added.**

**Q. What happens after my property is in forfeiture?**

**A.** After a property has been in forfeiture for approximately one (1) year, it will be foreclosed. 2000 property taxes will be foreclosed in March, 2003.

**Q. What happens after my property is foreclosed? How do I get it back?**

**A. YOU CANNOT GET YOUR PROPERTY BACK AFTER IT HAS BEEN FORECLOSED. FORECLOSURE IS FINAL. PROPERTY THAT HAS BEEN FORECLOSED WILL BE SOLD AT PUBLIC AUCTION.**

**Q. I still owe my property taxes from 1998. What should I do about those?**

**A.** Pay them as quickly as you can.

**Q. What if I can't come up with all the money right now?**

**A.** Even if you can't pay your taxes all at once, you can still make partial payments. You may pay by cash, cashiers check or money order made payable to the Montcalm County Treasurer. To ensure your payment is applied to your parcel, please write your parcel number on your cashiers check or money order. The mailing address is P. O. Box 368, Stanton, MI 48888-0368. If you can't pay all of your taxes before foreclosure, contact the Family Independence Agency at 989-831-8400 for possible financial assistance.

**Q. Will I receive any notification before my property is foreclosed?**

**A.** Yes. Five (5) notifications will be made. Two (2) will be by first class mail, two (2) by certified mail, and the last notification will be made by personal service. In addition to these notifications, names and addresses of delinquent property owners will be published in the newspaper.

**Q. I guess I really don't have to worry about losing my property until 2003. Why not wait and pay my taxes then?**

**A.** DON'T WAIT! You may have to pay as many as two (2) years taxes at once to keep your property. **Foreclosure is final!**

**PUBLIC ACT 123  
PROPERTY FORECLOSURE  
TIMELINE  
2000 PROPERTY TAXES**

- **July/December 2000:** 2000 property taxes billed by city/village or township treasurer.
- **March 1, 2001:** Unpaid 2000 property taxes are forwarded to county treasurer for collection. County treasurer adds a 4% administration fee and 1% per month interest.
- **October 1, 2001:** County treasurer adds \$15 fee to each parcel.
- **March 1, 2002:** Property is forfeited to county treasurer. County treasurer adds a \$175 fee. Interest increases from 1% per month to 1.5% per month, retroactive to March 1, 2001.
- **January 30, 2003 - March 10, 2003:** Circuit court enters a judgement of foreclosure. From the date of this judgement, property owners have only twenty-one (21) days to pay the taxes or lose their property.
- **March 22, 2003 - March 31, 2003:** Clear title to the property passes to the county.
- **July, 2003:** Property is sold at public auction. (optional sale)

**SOME IMPORTANT  
INFORMATION FOR  
PROPERTY OWNERS**

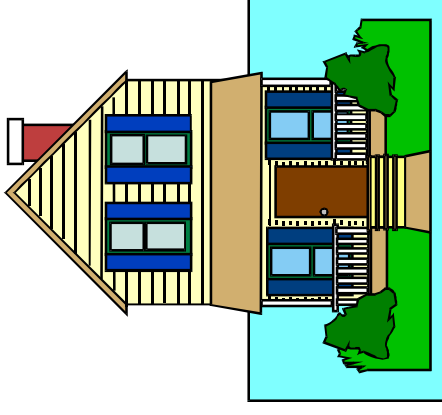
Public Act 123 of 1999 shortens the amount of time property owners have to pay their delinquent taxes before losing their property. Property owners with taxes that are two (2) years delinquent will be foreclosed and the property will be sold at public auction. For example, people who fail to pay their 2000 delinquent property taxes will lose their property to foreclosure in March, 2003.

With this new act, the amount of time to pay taxes has been reduced from approximately five (5) years to approximately two (2) years. Property owners who have multiple tax years owing may have to pay as many as three (3) or more years by March, 2003 to avoid losing their property.

Property owners face higher interest and fees for not paying their taxes. Taxes that are delinquent for more than one (1) year will have a substantially higher interest rate (1.5% per month, as opposed to the current 1%). A \$175 forfeiture fee and any additional administrative fees will also be added.

**Pay your delinquent taxes now!  
Foreclosure is final!**

**QUESTIONS AND ANSWERS  
REGARDING DELINQUENT TAX  
FORECLOSURE PROCEDURES**



Prepared for your information  
by the  
**Montcalm County Treasurer  
Marcia A. Sawdy**

If you have questions,  
Please feel free to call  
**989-831-7334 or 616-225-7334**  
and my staff or I will assist you.