

HOUSE BILL No. 5377

September 17, 2009, Introduced by Reps. Genetski, Haines, Lund, McMillin, Rick Jones, Agema, Meltzer, Bolger, Tyler, Knollenberg, Pavlov and Haveman and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 2, 27, and 27a (MCL 211.2, 211.27, and 211.27a), section 2 as amended by 2002 PA 620, section 27 as amended by 2003 PA 274, and section 27a as amended by 2008 PA 506.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. (1) For the purpose of taxation, real property
2 includes all of the following:
- 3 (a) All land within this state, all buildings and fixtures on
4 the land, and all appurtenances to the land, except as expressly
5 exempted by law.
- 6 (b) All real property owned by this state or purchased or
7 condemned for public highway purposes by any board, officer,
8 commission, or department of this state and sold on land contract,

1 notwithstanding the fact that the deed has not been executed
2 transferring title.

3 (c) For taxes levied after December 31, 2002, buildings and
4 improvements located upon leased real property, except buildings
5 and improvements exempt under section 9f or improvements assessable
6 under section 8(h), if the value of the buildings or improvements
7 is not otherwise included in the assessment of the real property.
8 However, buildings and improvements located on leased real property
9 shall not be treated as real property unless they would be treated
10 as real property if they were located on real property owned by the
11 taxpayer.

12 (2) ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN SECTION 27A, THE**
13 taxable status of persons and real and personal property for a tax
14 year shall be determined as of each December 31 of the immediately
15 preceding year, which is considered the tax day, any provisions in
16 the charter of any city or village to the contrary notwithstanding.
17 An assessing officer is not restricted to any particular period in
18 the preparation of the assessment roll but may survey, examine, or
19 review property at any time before or after the tax day.

20 (3) Notwithstanding a provision to the contrary in any law, if
21 real property is acquired for public purposes by purchase or
22 condemnation, all general property taxes, but not penalties, levied
23 during the 12 months immediately preceding, but not including, the
24 day title passes to the public agency shall be prorated in
25 accordance with this subsection. The seller or condemnee is
26 responsible for the portion of taxes from the levy date or dates
27 to, but not including, the day title passes and the public agency

1 is responsible for the remainder of the taxes. If the date that
2 title will pass cannot be ascertained definitely and an agreement
3 in advance to prorate taxes is desirable, an estimated date for the
4 passage of title may be agreed to. In the absence of an agreement,
5 the public agency shall compute the proration of taxes as of the
6 date title passes. The question of proration of taxes shall not be
7 considered in any condemnation proceeding. As used in this
8 subsection, "levy date" means the day on which general property
9 taxes become due and payable. In addition to the portion of taxes
10 for which the public agency is responsible under the provisions of
11 this subsection, the public agency is also responsible for all
12 general property taxes levied on or after the date title passes and
13 before the property is removed from the tax rolls.

14 (4) In a real estate transaction between private parties in
15 the absence of an agreement to the contrary, the seller is
16 responsible for that portion of the annual taxes levied during the
17 12 months immediately preceding, but not including, the day title
18 passes, from the levy date or dates to, but not including, the day
19 title passes and the buyer is responsible for the remainder of the
20 annual taxes. As used in this subsection, "levy date" means the day
21 on which a general property tax becomes due and payable.

22 Sec. 27. (1) As used in this act, "true cash value" means the
23 usual selling price at the place where the property to which the
24 term is applied is at the time of assessment, being the price that
25 could be obtained for the property at private sale, and not at
26 auction sale except as otherwise provided in this section, or at
27 forced sale. The usual selling price may include sales at public

1 auction held by a nongovernmental agency or person if those sales
2 have become a common method of acquisition in the jurisdiction for
3 the class of property being valued. The usual selling price does
4 not include sales at public auction if the sale is part of a
5 liquidation of the seller's assets in a bankruptcy proceeding or if
6 the seller is unable to use common marketing techniques to obtain
7 the usual selling price for the property. A sale or other
8 disposition by this state or an agency or political subdivision of
9 this state of land acquired for delinquent taxes or an appraisal
10 made in connection with the sale or other disposition or the value
11 attributed to the property of regulated public utilities by a
12 governmental regulatory agency for rate-making purposes is not
13 controlling evidence of true cash value for assessment purposes. In
14 determining the true cash value, the assessor shall also consider
15 the advantages and disadvantages of location; quality of soil;
16 zoning; existing use; present economic income of structures,
17 including farm structures; present economic income of land if the
18 land is being farmed or otherwise put to income producing use;
19 quantity and value of standing timber; water power and privileges;
20 and mines, minerals, quarries, or other valuable deposits known to
21 be available in the land and their value. In determining the true
22 cash value of personal property owned by an electric utility
23 cooperative, the assessor shall consider the number of kilowatt
24 hours of electricity sold per mile of distribution line compared to
25 the average number of kilowatt hours of electricity sold per mile
26 of distribution line for all electric utilities.

27 (2) The assessor shall not consider the increase in true cash

1 value that is a result of expenditures for normal repairs,
2 replacement, and maintenance in determining the true cash value of
3 property for assessment purposes until the property is sold. For
4 the purpose of implementing this subsection, the assessor shall not
5 increase the construction quality classification or reduce the
6 effective age for depreciation purposes, except if the appraisal of
7 the property was erroneous before nonconsideration of the normal
8 repair, replacement, or maintenance, and shall not assign an
9 economic condition factor to the property that differs from the
10 economic condition factor assigned to similar properties as defined
11 by appraisal procedures applied in the jurisdiction. The increase
12 in value attributable to the items included in subdivisions (a) to
13 (o) that is known to the assessor and excluded from true cash value
14 shall be indicated on the assessment roll. This subsection applies
15 only to residential property. The following repairs are considered
16 normal maintenance if they are not part of a structural addition or
17 completion:

18 (a) Outside painting.

19 (b) Repairing or replacing siding, roof, porches, steps,
20 sidewalks, or drives.

21 (c) Repainting, repairing, or replacing existing masonry.

22 (d) Replacing awnings.

23 (e) Adding or replacing gutters and downspouts.

24 (f) Replacing storm windows or doors.

25 (g) Insulating or weatherstripping.

26 (h) Complete rewiring.

27 (i) Replacing plumbing and light fixtures.

1 (j) Replacing a furnace with a new furnace of the same type or
2 replacing an oil or gas burner.

3 (k) Repairing plaster, inside painting, or other redecorating.

4 (l) New ceiling, wall, or floor surfacing.

5 (m) Removing partitions to enlarge rooms.

6 (n) Replacing an automatic hot water heater.

7 (o) Replacing dated interior woodwork.

8 (3) A city or township assessor, a county equalization
9 department, or the state tax commission before utilizing real
10 estate sales data on real property purchases, including purchases
11 by land contract, to determine assessments or in making sales ratio
12 studies to assess property or equalize assessments shall exclude
13 from the sales data the following amounts allowed by subdivisions
14 (a), (b), and (c) to the extent that the amounts are included in
15 the real property purchase price and are so identified in the real
16 estate sales data or certified to the assessor as provided in
17 subdivision (d):

18 (a) Amounts paid for obtaining financing of the purchase price
19 of the property or the last conveyance of the property.

20 (b) Amounts attributable to personal property that were
21 included in the purchase price of the property in the last
22 conveyance of the property.

23 (c) Amounts paid for surveying the property pursuant to the
24 last conveyance of the property. The legislature may require local
25 units of government, including school districts, to submit reports
26 of revenue lost under subdivisions (a) and (b) and this subdivision
27 so that the state may reimburse those units for that lost revenue.

1 (d) The purchaser of real property, including a purchaser by
2 land contract, may file with the assessor of the city or township
3 in which the property is located 2 copies of the purchase agreement
4 or of an affidavit that identifies the amount, if any, for each
5 item listed in subdivisions (a) to (c). One copy shall be forwarded
6 by the assessor to the county equalization department. The
7 affidavit shall be prescribed by the state tax commission.

8 (4) As used in subsection (1), "present economic income" means
9 for leased or rented property the ordinary, general, and usual
10 economic return realized from the lease or rental of property
11 negotiated under current, contemporary conditions between parties
12 equally knowledgeable and familiar with real estate values. The
13 actual income generated by the lease or rental of property is not
14 the controlling indicator of its true cash value in all cases. This
15 subsection does not apply to property subject to a lease entered
16 into before January 1, 1984 for which the terms of the lease
17 governing the rental rate or tax liability have not been
18 renegotiated after December 31, 1983. This subsection does not
19 apply to a nonprofit housing cooperative subject to regulatory
20 agreements between the state or federal government entered into
21 before January 1, 1984. As used in this subsection, "nonprofit
22 cooperative housing corporation" means a nonprofit cooperative
23 housing corporation that is engaged in providing housing services
24 to its stockholders and members and that does not pay dividends or
25 interest upon stock or membership investment but that does
26 distribute all earnings to its stockholders or members.

27 (5) ~~Beginning December 31, 1994, the~~ **THE** purchase price paid

1 in a transfer of property is ~~not~~ the presumptive true cash value of
2 the property transferred. ~~In determining the true cash value of~~
3 ~~transferred property, an assessing officer shall assess that~~
4 ~~property using the same valuation method used to value all other~~
5 ~~property of that same classification in the assessing jurisdiction.~~
6 As used in this subsection, "purchase price" means the total
7 consideration agreed to in an ~~arms-length~~ **ARM'S-LENGTH** transaction
8 and not at a forced sale paid by the purchaser of the property,
9 stated in dollars, whether or not paid in dollars.

10 (6) For purposes of a statement submitted under section 19,
11 the true cash value of a standard tool is the net book value of
12 that standard tool as of December 31 in each tax year as determined
13 using generally accepted accounting principles in a manner
14 consistent with the established depreciation method used by the
15 person submitting that statement. The net book value of a standard
16 tool for federal income tax purposes is not the presumptive true
17 cash value of that standard tool. As used in this subsection,
18 "standard tool" means that term as defined in section 9b.

19 Sec. 27a. (1) Except as otherwise provided in this section,
20 property shall be assessed at 50% of its true cash value under
21 section 3 of article IX of the state constitution of 1963.

22 (2) Except as otherwise provided in subsection (3), for taxes
23 levied in 1995 and for each year after 1995, the taxable value of
24 each parcel of property is the lesser of the following:

25 (a) The property's taxable value in the immediately preceding
26 year minus any losses, multiplied by the lesser of 1.05 or the
27 inflation rate, plus all additions. For taxes levied in 1995, the

1 property's taxable value in the immediately preceding year is the
2 property's state equalized valuation in 1994.

3 (b) The property's current state equalized valuation.

4 (3) Upon a transfer of ownership of property after 1994, the
5 property's taxable value for the calendar year following the year
6 of the transfer is the property's state equalized valuation for the
7 calendar year following the transfer. **HOWEVER, NOTWITHSTANDING TAX**
8 **DAY AS DESCRIBED IN SECTION 2, UPON A TRANSFER OF OWNERSHIP OF**
9 **PROPERTY FOR WHICH AN EXEMPTION AS A PRINCIPAL RESIDENCE IS CLAIMED**
10 **UNDER SECTION 7CC AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT**
11 **THAT ADDED THIS SENTENCE AND BEFORE JANUARY 1, 2015, THE TAXABLE**
12 **VALUE OF THAT PROPERTY SHALL BE ADJUSTED IN THE YEAR THAT THE**
13 **PROPERTY IS TRANSFERRED. IF ADJUSTMENT OF THE PROPERTY'S TAXABLE**
14 **VALUE UNDER THIS SECTION RESULTS IN AN OVERPAYMENT, A REBATE,**
15 **INCLUDING ANY INTEREST PAID, SHALL BE MADE TO THE TAXPAYER BY THE**
16 **LOCAL TAX COLLECTING UNIT.**

17 (4) If the taxable value of property is adjusted under
18 subsection (3), a subsequent increase in the property's taxable
19 value is subject to the limitation set forth in subsection (2)
20 until a subsequent transfer of ownership occurs. If the taxable
21 value of property is adjusted under subsection (3) and the assessor
22 determines that there had not been a transfer of ownership, the
23 taxable value of the property shall be adjusted at the July or
24 December board of review. Notwithstanding the limitation provided
25 in section 53b(1) on the number of years for which a correction may
26 be made, the July or December board of review may adjust the
27 taxable value of property under this subsection for the current

1 year and for the 3 immediately preceding calendar years. A
2 corrected tax bill shall be issued for each tax year for which the
3 taxable value is adjusted by the local tax collecting unit if the
4 local tax collecting unit has possession of the tax roll or by the
5 county treasurer if the county has possession of the tax roll. For
6 purposes of section 53b, an adjustment under this subsection shall
7 be considered the correction of a clerical error.

8 (5) Assessment of property, as required in this section and
9 section 27, is inapplicable to the assessment of property subject
10 to the levy of ad valorem taxes within voted tax limitation
11 increases to pay principal and interest on limited tax bonds issued
12 by any governmental unit, including a county, township, community
13 college district, or school district, before January 1, 1964, if
14 the assessment required to be made under this act would be less
15 than the assessment as state equalized prevailing on the property
16 at the time of the issuance of the bonds. This inapplicability
17 shall continue until levy of taxes to pay principal and interest on
18 the bonds is no longer required. The assessment of property
19 required by this act shall be applicable for all other purposes.

20 (6) As used in this act, "transfer of ownership" means the
21 conveyance of title to or a present interest in property, including
22 the beneficial use of the property, the value of which is
23 substantially equal to the value of the fee interest. Transfer of
24 ownership of property includes, but is not limited to, the
25 following:

26 (a) A conveyance by deed.

27 (b) A conveyance by land contract. The taxable value of

1 property conveyed by a land contract executed after December 31,
2 1994 shall be adjusted under subsection (3) for the calendar year
3 following the year in which the contract is entered into and shall
4 not be subsequently adjusted under subsection (3) when the deed
5 conveying title to the property is recorded in the office of the
6 register of deeds in the county in which the property is located.

7 (c) A conveyance to a trust after December 31, 1994, except if
8 the settlor or the settlor's spouse, or both, conveys the property
9 to the trust and the sole present beneficiary or beneficiaries are
10 the settlor or the settlor's spouse, or both.

11 (d) A conveyance by distribution from a trust, except if the
12 distributee is the sole present beneficiary or the spouse of the
13 sole present beneficiary, or both.

14 (e) A change in the sole present beneficiary or beneficiaries
15 of a trust, except a change that adds or substitutes the spouse of
16 the sole present beneficiary.

17 (f) A conveyance by distribution under a will or by intestate
18 succession, except if the distributee is the decedent's spouse.

19 (g) A conveyance by lease if the total duration of the lease,
20 including the initial term and all options for renewal, is more
21 than 35 years or the lease grants the lessee a bargain purchase
22 option. As used in this subdivision, "bargain purchase option"
23 means the right to purchase the property at the termination of the
24 lease for not more than 80% of the property's projected true cash
25 value at the termination of the lease. After December 31, 1994, the
26 taxable value of property conveyed by a lease with a total duration
27 of more than 35 years or with a bargain purchase option shall be

1 adjusted under subsection (3) for the calendar year following the
2 year in which the lease is entered into. This subdivision does not
3 apply to personal property except buildings described in section
4 14(6) and personal property described in section 8(h), (i), and
5 (j). This subdivision does not apply to that portion of the
6 property not subject to the leasehold interest conveyed.

7 (h) A conveyance of an ownership interest in a corporation,
8 partnership, sole proprietorship, limited liability company,
9 limited liability partnership, or other legal entity if the
10 ownership interest conveyed is more than 50% of the corporation,
11 partnership, sole proprietorship, limited liability company,
12 limited liability partnership, or other legal entity. Unless
13 notification is provided under subsection (10), the corporation,
14 partnership, sole proprietorship, limited liability company,
15 limited liability partnership, or other legal entity shall notify
16 the assessing officer on a form provided by the state tax
17 commission not more than 45 days after a conveyance of an ownership
18 interest that constitutes a transfer of ownership under this
19 subdivision.

20 (i) A transfer of property held as a tenancy in common, except
21 that portion of the property not subject to the ownership interest
22 conveyed.

23 (j) A conveyance of an ownership interest in a cooperative
24 housing corporation, except that portion of the property not
25 subject to the ownership interest conveyed.

26 (7) Transfer of ownership does not include the following:

27 (a) The transfer of property from 1 spouse to the other spouse

1 or from a decedent to a surviving spouse.

2 (b) A transfer from a husband, a wife, or a husband and wife
3 creating or disjoining a tenancy by the entirety in the grantors
4 or the grantor and his or her spouse.

5 (c) A transfer of that portion of property subject to a life
6 estate or life lease retained by the transferor, until expiration
7 or termination of the life estate or life lease. That portion of
8 property transferred that is not subject to a life lease shall be
9 adjusted under subsection (3).

10 (d) A transfer through foreclosure or forfeiture of a recorded
11 instrument under chapter 31, 32, or 57 of the revised judicature
12 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701
13 to 600.5759, or through deed or conveyance in lieu of a foreclosure
14 or forfeiture, until the mortgagee or land contract vendor
15 subsequently transfers the property. If a mortgagee does not
16 transfer the property within 1 year of the expiration of any
17 applicable redemption period, the property shall be adjusted under
18 subsection (3).

19 (e) A transfer by redemption by the person to whom taxes are
20 assessed of property previously sold for delinquent taxes.

21 (f) A conveyance to a trust if the settlor or the settlor's
22 spouse, or both, conveys the property to the trust and the sole
23 present beneficiary of the trust is the settlor or the settlor's
24 spouse, or both.

25 (g) A transfer pursuant to a judgment or order of a court of
26 record making or ordering a transfer, unless a specific monetary
27 consideration is specified or ordered by the court for the

1 transfer.

2 (h) A transfer creating or terminating a joint tenancy between
3 2 or more persons if at least 1 of the persons was an original
4 owner of the property before the joint tenancy was initially
5 created and, if the property is held as a joint tenancy at the time
6 of conveyance, at least 1 of the persons was a joint tenant when
7 the joint tenancy was initially created and that person has
8 remained a joint tenant since the joint tenancy was initially
9 created. A joint owner at the time of the last transfer of
10 ownership of the property is an original owner of the property. For
11 purposes of this subdivision, a person is an original owner of
12 property owned by that person's spouse.

13 (i) A transfer for security or an assignment or discharge of a
14 security interest.

15 (j) A transfer of real property or other ownership interests
16 among members of an affiliated group. As used in this subsection,
17 "affiliated group" means 1 or more corporations connected by stock
18 ownership to a common parent corporation. Upon request by the state
19 tax commission, a corporation shall furnish proof within 45 days
20 that a transfer meets the requirements of this subdivision. A
21 corporation that fails to comply with a request by the state tax
22 commission under this subdivision is subject to a fine of \$200.00.

23 (k) Normal public trading of shares of stock or other
24 ownership interests that, over any period of time, cumulatively
25 represent more than 50% of the total ownership interest in a
26 corporation or other legal entity and are traded in multiple
27 transactions involving unrelated individuals, institutions, or

1 other legal entities.

2 (l) A transfer of real property or other ownership interests
3 among corporations, partnerships, limited liability companies,
4 limited liability partnerships, or other legal entities if the
5 entities involved are commonly controlled. Upon request by the
6 state tax commission, a corporation, partnership, limited liability
7 company, limited liability partnership, or other legal entity shall
8 furnish proof within 45 days that a transfer meets the requirements
9 of this subdivision. A corporation, partnership, limited liability
10 company, limited liability partnership, or other legal entity that
11 fails to comply with a request by the state tax commission under
12 this subdivision is subject to a fine of \$200.00.

13 (m) A direct or indirect transfer of real property or other
14 ownership interests resulting from a transaction that qualifies as
15 a tax-free reorganization under section 368 of the internal revenue
16 code, 26 USC 368. Upon request by the state tax commission, a
17 property owner shall furnish proof within 45 days that a transfer
18 meets the requirements of this subdivision. A property owner who
19 fails to comply with a request by the state tax commission under
20 this subdivision is subject to a fine of \$200.00.

21 (n) A transfer of qualified agricultural property, if the
22 person to whom the qualified agricultural property is transferred
23 files an affidavit with the assessor of the local tax collecting
24 unit in which the qualified agricultural property is located and
25 with the register of deeds for the county in which the qualified
26 agricultural property is located attesting that the qualified
27 agricultural property shall remain qualified agricultural property.

1 The affidavit under this subdivision shall be in a form prescribed
2 by the department of treasury. An owner of qualified agricultural
3 property shall inform a prospective buyer of that qualified
4 agricultural property that the qualified agricultural property is
5 subject to the recapture tax provided in the agricultural property
6 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the
7 qualified agricultural property is converted by a change in use. If
8 property ceases to be qualified agricultural property at any time
9 after being transferred, all of the following shall occur:

10 (i) The taxable value of that property shall be adjusted under
11 subsection (3) as of the December 31 in the year that the property
12 ceases to be qualified agricultural property.

13 (ii) The property is subject to the recapture tax provided for
14 under the agricultural property recapture act, 2000 PA 261, MCL
15 211.1001 to 211.1007.

16 (o) A transfer of qualified forest property, if the person to
17 whom the qualified forest property is transferred files an
18 affidavit with the assessor of the local tax collecting unit in
19 which the qualified forest property is located and with the
20 register of deeds for the county in which the qualified forest
21 property is located attesting that the qualified forest property
22 shall remain qualified forest property. The affidavit under this
23 subdivision shall be in a form prescribed by the department of
24 treasury. An owner of qualified forest property shall inform a
25 prospective buyer of that qualified forest property that the
26 qualified forest property is subject to the recapture tax provided
27 in the qualified forest property recapture tax act, 2006 PA 379,

1 MCL 211.1031 to 211.1036, if the qualified forest property is
2 converted by a change in use. If property ceases to be qualified
3 forest property at any time after being transferred, all of the
4 following shall occur:

5 (i) The taxable value of that property shall be adjusted under
6 subsection (3) as of the December 31 in the year that the property
7 ceases to be qualified forest property.

8 (ii) The property is subject to the recapture tax provided for
9 under the qualified forest property recapture tax act, 2006 PA 379,
10 MCL 211.1031 to 211.1036.

11 (p) Beginning on the effective date of the amendatory act that
12 added this subdivision, a transfer of land, but not buildings or
13 structures located on the land, which meets 1 or more of the
14 following requirements:

15 (i) The land is subject to a conservation easement under
16 subpart 11 of part 21 of the natural resources and environmental
17 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in
18 this subparagraph, "conservation easement" means that term as
19 defined in section 2140 of the natural resources and environmental
20 protection act, 1994 PA 451, MCL 324.2140.

21 (ii) A transfer of ownership of the land or a transfer of an
22 interest in the land is eligible for a deduction as a qualified
23 conservation contribution under section 170(h) of the internal
24 revenue code, 26 USC 170.

25 (q) A transfer of real property or other ownership interests
26 resulting from a consolidation or merger of a domestic nonprofit
27 corporation that is a boy or girl scout or camp fire girls

1 organization, a 4-H club or foundation, a young men's Christian
2 association, or a young women's Christian association and at least
3 50% of the members of that organization or association are
4 residents of this state.

5 (8) If all of the following conditions are satisfied, the
6 local tax collecting unit shall revise the taxable value of
7 qualified agricultural property taxable on the tax roll in the
8 possession of that local tax collecting unit to the taxable value
9 that qualified agricultural property would have had if there had
10 been no transfer of ownership of that qualified agricultural
11 property since December 31, 1999 and there had been no adjustment
12 of that qualified agricultural property's taxable value under
13 subsection (3) since December 31, 1999:

14 (a) The qualified agricultural property was qualified
15 agricultural property for taxes levied in 1999 and each year after
16 1999.

17 (b) The owner of the qualified agricultural property files an
18 affidavit with the assessor of the local tax collecting unit under
19 subsection (7) (n).

20 (9) If the taxable value of qualified agricultural property is
21 adjusted under subsection (8), the owner of that qualified
22 agricultural property shall not be entitled to a refund for any
23 property taxes collected under this act on that qualified
24 agricultural property before the adjustment under subsection (8).

25 (10) The register of deeds of the county where deeds or other
26 title documents are recorded shall notify the assessing officer of
27 the appropriate local taxing unit not less than once each month of

1 any recorded transaction involving the ownership of property and
2 shall make any recorded deeds or other title documents available to
3 that county's tax or equalization department. Unless notification
4 is provided under subsection (6), the buyer, grantee, or other
5 transferee of the property shall notify the appropriate assessing
6 office in the local unit of government in which the property is
7 located of the transfer of ownership of the property within 45 days
8 of the transfer of ownership, on a form prescribed by the state tax
9 commission that states the parties to the transfer, the date of the
10 transfer, the actual consideration for the transfer, and the
11 property's parcel identification number or legal description. Forms
12 filed in the assessing office of a local unit of government under
13 this subsection shall be made available to the county tax or
14 equalization department for the county in which that local unit of
15 government is located. This subsection does not apply to personal
16 property except buildings described in section 14(6) and personal
17 property described in section 8(h), (i), and (j).

18 (11) As used in this section:

19 (a) "Additions" means that term as defined in section 34d.

20 (b) "Beneficial use" means the right to possession, use, and
21 enjoyment of property, limited only by encumbrances, easements, and
22 restrictions of record.

23 (c) "Converted by a change in use" means that term as defined
24 in the agricultural property recapture act, 2000 PA 261, MCL
25 211.1001 to 211.1007.

26 (d) "Inflation rate" means that term as defined in section
27 34d.

1 (e) "Losses" means that term as defined in section 34d.

2 (f) "Qualified agricultural property" means that term as
3 defined in section 7dd.

4 (g) "Qualified forest property" means that term as defined in
5 section 7jj[1].