

MICHIGAN COMMUNITY PROPERTY ACT (EXCERPT)
Act 317 of 1947

***** 557.206 THIS SECTION WAS REPEALED BY ACT 39 OF 1948 (1ST EX. SESS.) EFFECTIVE MAY 10, 1948, SUBJECT TO SAVINGS PROVISIONS IN § 557.252 ET SEQ. *****

557.206 Community property; right of wife or husband to receive and control earnings for personal services; limitations; effect of breach; rights of third persons.

Sec. 6.

(a) The wife shall have the right to receive, manage, control, dispose of, and otherwise deal with that portion of the community property which consists of her earnings for personal services and all other community property which shall stand in her name, subject to the limitations set forth in paragraph (c) below.

(b) The husband shall have the right to receive, manage, control, dispose of, and otherwise deal with all other community property, including that portion of the community property which consists of his earnings for personal services and all other community property which shall stand in his name, subject to the limitations set forth in paragraph (c) below.

(c) (1) Neither the husband nor the wife shall dispose of or encumber community real property or encumber any community property exempt under the provisions of section 43 of chapter 23 of Act No. 314 of the Public Acts of 1915, being section 14578 of the Compiled Laws of 1929, as amended, or lease community real property for a longer period than 1 year unless the other shall join in the execution of the instrument. (2) Neither the husband nor the wife shall make any gift of community property or dispose of or encumber the same without adequate consideration, without the consent of the other. (3) Neither the husband nor the wife shall dispose of or encumber the furniture, furnishings, or fittings of the home, to the extent that the same constitutes community property, without the consent of the other. (4) Neither the husband nor the wife shall have the right to devise or bequeath more than 1/2 of the community property. (5) The rights given to the husband and to the wife to manage, control, dispose of, and otherwise deal with community property, as provided in this section, shall be exercised in good faith for the benefit of the community. In case of any violation by the husband or the wife of the above limitations or any part thereof, the spouse aggrieved shall be entitled to appropriate relief against the other spouse at law or in equity. The foregoing provisions shall not entitle the wife or the husband, by court proceedings or otherwise, to interfere with or affect the right of the other to collect his or her earnings for personal services.

(d) Breach by either spouse of any of the limitations set forth in paragraph (c) above shall not affect the rights of, or impose any liability upon, any person dealing with such spouse without actual knowledge of such breach, nor affect the rights of, or impose any liability upon, any subsequent party in interest unless such subsequent party has actual knowledge of such breach at the time of acquiring such interest, and not then if any predecessor in interest acquired the same without actual knowledge of such breach. Knowledge of the existence of the marital relationship shall not impose any duty to make inquiry as to the occurrence of such a breach, nor shall any such duty be imposed by knowledge of self-dealing by either spouse.

(e) Notwithstanding any of the provisions of this section, any other person may rely, and shall be fully protected in so doing, upon the right of either spouse to receive, manage, control, dispose of, or otherwise deal with property which shall stand in the names of both of them in such manner that by law, but for the provisions of this act, either would be entitled so to deal therewith.

History: 1947, Act 317, Imd. Eff. July 1, 1947 ;-- CL 1948, 557.206

Compiler's Notes: Act 314 of 1915, referred to in this section, was repealed by Act 236 of 1961. This act was repealed by MCL 557.251, subject to the saving provisions contained in MCL 557.252 et seq.