

Questions & Answers

Delinquent Taxes, Forfeiture and Foreclosure

The property tax foreclosure process can be confusing. We would like to answer any questions you might have and help you develop a payment strategy. Please call us at (517) 676-7220 or email Eschertzing@ingham.org.

Q. If I don't pay my taxes, will I really lose my home?

A. **YES.** Under PA123 of 1999, if your taxes are delinquent for 25 months, you lose your property.

Q. What is a delinquent tax?

A. A delinquent tax is a tax bill that was forwarded to the county treasurer for collection on March 1st of the year after it was due. *For example, taxes that are billed by your city or township treasurer in 2014 were turned delinquent to the county treasurer on March 1, 2015.*

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

A. The county treasurer adds a required 4% administration fee and 1% per month interest. After one year, the property is Forfeited to the county treasurer. *For example, 2014 taxes still unpaid as of March 1, 2016 are Forfeited.*

Q. What does it mean for my property to be in Forfeiture?

A. **FORFEITURE IS THE BEGINNING OF THE FORECLOSURE PROCESS.** If your property is in Forfeiture, you still have 13 months 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. Fees of at least \$245 are added in Forfeiture and Foreclosure process. A notice of Forfeiture is recorded with the Register of Deeds.

Q. What happens after my property is in Forfeiture?

A. After a property has been in Forfeiture for 13 months, it will be Foreclosed. 2014 property taxes will be Foreclosed March 31, 2017.

Q. What is Foreclosure?

A. Foreclosure is the loss of your property. It occurs March 31, after the circuit court judgment is entered.

Q. Can I get my property back if it is Foreclosed?

A. **NO. FORECLOSURE IS FINAL!** You can not get your property back after it has been Foreclosed. Foreclosed property may go to public auction.

If you can't pay your taxes, contact the Michigan Department of Health and Human Services at 887-9400 or visit them at 5303 S. Cedar St. in Lansing for possible financial assistance.

Q. Will I receive any notice before my property is Foreclosed?

A. Yes. You will receive five notices. Two will be by first class mail, two by certified mail and one by personal service. The names and addresses of those with an interest in Forfeited property will also be published in a local paper.

Q. I don't have to worry about losing my property yet. Why not wait and pay my taxes later?

A. **Don't wait!** Unpaid property taxes from 2014 will result in property foreclosure March 31, 2017. If all taxes, penalties and interest are not paid before the end of the redemption period, you will lose your property. **Foreclosure is final!**

Note: Bankruptcy stops Forfeiture and Foreclosure.

Very low income households may qualify for State or Local hardship which stops Foreclosure. Contact Treasurer Eric Schertzing at (517) 676-7220 or Eschertzing@ingham.org with questions.

Q. What if I don't have all the money right now?

A. If you can't pay your taxes all at once, you can establish a payment plan. When making payments, use a check or money order and remember to:

1. Make it payable to the Ingham County Treasurer.
2. Write your parcel number on it.
3. Mail it to P.O. Box 215, Mason, MI 48854-0215.



Ingham County Treasurer 2014 Property Tax Foreclosure Timeline

This timeline is intended to describe in general terms the major elements and deadlines of the State law regarding delinquent property taxes. Additional fees may apply.

2016

► On March 1, 2016

- **FORFEITURE**
- A minimum of \$245 in fees is added.
- Property is forfeited to the Ingham County Treasurer.
- Interest rate increases to 18% per year, retroactive to March 1, 2015.

► June 2016

Foreclosure petition is filed in Circuit Court June 1 and a legal fee is added.

► Between June 1, 2016 and January 31, 2017

- Title research to identify owners and lienholders.
- Personal visit made to forfeited property.
- Mortgage lenders, banks and lienholders notified.
- Foreclosure list published in newspaper December 1, publication fee added.

► February 2017

Show Cause Hearing is held.

► February 2017

• **FORECLOSURE**
Circuit court enters a judgment of foreclosure. From the date of this judgment, property owners have until March 31 to redeem the taxes, plus penalties and interest or lose their property.

► March 31, 2017

Redemption rights expire if taxes are not paid and clear title transfers to the Ingham County Treasurer.

► July 2017

Foreclosed property may be sold at public auction. Prior owner does not receive any of the proceeds.

2015

► On March 1, 2015

- Unpaid 2014 property taxes become "delinquent" and payable to county treasurer.
- A 4% administration fee is added.
- Interest begins to accrue at 12% per year.

► On October 1, 2015

A \$15 fee is added.

► On November 1, 2015

The parcel is added to the preliminary forfeiture list.

► By February 1, 2016

Mortgage lenders and banks may be notified.

Public Act 123 of 1999 made changes to the law about paying property taxes. Under the old law, property owners had more time—and second chances—to pay. Under the new law, if your taxes are delinquent for 25 months, that's it. *You've lost your property.*

Less Time to Pay

Public Act 123 shortens the amount of time you have to pay your property taxes. You now have about two years to pay, not five. Property owners who owe 2014 property taxes will have to pay their taxes by March 31, 2017, or lose their property.

Higher Interest and Fees

Property owners will be charged higher interest and fees for not paying their taxes. Property taxes that are delinquent (overdue) for more than one year will have a 50% higher interest rate (1.5% per month instead of 1% per month). Property taxes that are delinquent for one year will also have fees of at least \$245 added to them.

**Don't delay!
Don't lose your PROPERTY —
Pay your overdue
taxes NOW.
*Foreclosure is final!***

Call: (517)676-7220
E-mail: Eschertzing@ingham.org



Eric Schertzing
Ingham County Treasurer

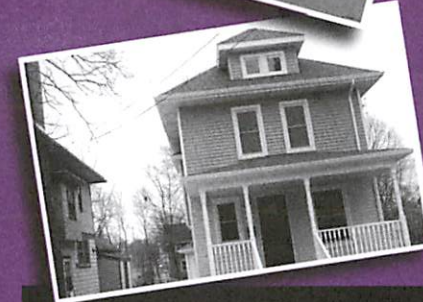
P.O. Box 215
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2014 Property Taxes

PROPERTY TAX FORECLOSURE

2014 Property Taxes

We want to help you *keep* your property.



Eric Schertzing
Ingham County Treasurer

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