

Foreclosure Entity Payment Form - Principal Residence Exemption (PRE)

Issued under authority of Public Act 206 of 1893.

Read instructions on page 2 before completing the form. Use additional copies of this form if necessary. Summaries are due with remittance to the Department of Treasury on a monthly basis.

Governmental Agency Remitting Funds (City or Township)		County	
Prepared by (Name and Title)	Date	Telephone Number	E-mail Address

1.	Name of Entity	Property Address	Property Identification Number	Tax Year	Summer or Winter Levy (S or W)	Taxable Value	School Operating Millage Rate	Payment Amount
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								

Mail form with supporting documents to:
Principal Residence Exemption Unit
Michigan Department of Treasury
PO Box 30440
Lansing MI 48909

11. Total on this sheet (add lines 1 through 10) 11.
 12. Total on additional sheets (add lines 10 from other sheets) 12.
 13. Total Foreclosure Entity Payment 13.

Deposit into School Aid Fund Index 62022, AOBJ 1123, TC190

Instructions for Completing Form 5005

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BACKGROUND

Michigan Compiled Law (MCL) 211.7cc(5) allows a land contract vendor, bank, credit union, or other lending institution (foreclosure entity) to retain a PRE on foreclosed property if a Foreclosure Entity Conditional Rescission of a PRE is filed. In order to retain the PRE, the foreclosure entity must pay to the local tax-collecting unit (city or township) an amount equal to the amount of taxes that the foreclosure entity would have paid if the property were not subject to a PRE. In addition, an administration fee equal to the property tax administration fee imposed under Section 44 of the General Property Tax Act must be paid by the foreclosure entity and retained by the local tax-collecting unit.

SUMMARY FORM USAGE

This form is to be completed and submitted by the city or township to distribute payments made by foreclosure entities to the Michigan Department of Treasury for deposit into the state school aid fund. If an entity fails to make the necessary payments, the local tax-collecting unit shall deny the conditional rescission and that denial is retroactive and effective on December 31 of the immediately preceding year.

REQUIRED INFORMATION

Provide complete information regarding the name of the city or township submitting the form along with the county and preparer's contact information for Department confirmation of receipt and questions.

Use only one line for each property by tax year. For example, if a foreclosure entity had filed more than one Foreclosure Entity Conditional Rescission, then each property identification number must be entered separately by tax year on the form.

Summer Levy: If a Foreclosure Entity Conditional Rescission is filed and approved by the local tax-collecting unit on or before June 1, 2012, the foreclosure entity may retain the PRE beginning with the 2012 summer tax levy. Payment by the foreclosure entity must be made by September 15 if school operating taxes are due with the summer tax bill. Enter an "S" under "Summer or Winter Levy" and enter the amount paid under "Payment Amount."

Winter Levy: If a Foreclosure Entity Conditional Rescission is filed and approved at any time from June 2, 2012 to November 1, 2012, the foreclosure entity may retain the PRE beginning with the 2012 winter tax levy. Payment by the foreclosure entity must be made by February 15 if the school operating taxes are due with the winter tax bill. Enter a "W" under "Summer or Winter Levy" and enter the amount paid under "Payment Amount."

If you have any questions call: (517) 373-1950 or e-mail at: PTE-Section@michigan.gov.