



Partial Tax Payment Policy

1. PURPOSE

This policy is intended to establish guidelines under which the Otsego County Treasurer may accept partial property tax payments.

2. AUTHORITY

Otsego County has the ability to establish rules and regulations in reference to management of the interests and business concerns of the county as the board considers necessary and proper in all matters not especially provided under the laws of the State of Michigan, per Public Act 156 of 1851, specifically mcl 46.11 (1).

3. POLICY

Except for as otherwise provided in law, the County Treasurer will accept partial payments on taxes for delinquent real property as allowed within this policy.

For those wishing to make partial payments, the following rules apply:

- a. A partial payment of property taxes may not be made more than four times in one calendar month.
- b. A partial payment of property taxes may not be made in an amount less than \$50, except for final payment.
- c. Partial payments will be applied first to outstanding interest, fees, and penalties, and then to the remaining tax balance, except as provided below.
- d. Partial payments on commercial or industrial properties may be applied first to outstanding tax balance at the request of the taxpayer, or their designated representative, with the approval of the County Treasurer, the County Administrator, and the Board of Commissioners. Such requests must be made in writing at least one (1) week in advance of the regular Board of Commissioners meeting in which the request will be considered.
- e. When accepting partial redemption payments, per mcl 211.78g (6), the County Treasurer shall include in the tax record in his or her office the name of the person or persons making each partial redemption payment, the date of each partial redemption payment, the amount of each partial redemption payment, and the total amount of all redemption payments. In the case of (d) above, the County Treasurer will further keep information on the outstanding fees, interest, and penalties associated with the principal paid as well as outstanding principal.

Approved:

- f. A redemption certificate shall not be issued until all outstanding interest, fees, penalties, and outstanding tax balances are paid in full.
- g. Interest, penalties, and fees will continue to apply to unpaid taxes per the General Property Tax Act. A delinquent tax is an unpaid tax that has been forwarded to the County Treasurer for collection on March 1 of the year after the taxes were due. An Administrative fee of 4% and interest of 1% per month are added. Except for certified abandoned property, on the October 1 immediately succeeding the date that unpaid taxes are returned to the County Treasurer for forfeiture, foreclosure and sale, or returned as delinquent, a fee of \$15.00 on each parcel will be added. After one year, the property is forfeited to the County Treasurer, at which time the interest rate goes to 1.5% per month retroactive to the date it first became delinquent, and a \$175 processing fee, as well as other fees determined by the State of Michigan, are also added.
- h. Tax payments made by credit card may be subject to a surcharge by the company contracted to process credit card payments.

Questions regarding this policy should be directed to

County of Otsego
Office of the County Treasurer
(989) 731-7560

Approved: