



FACT SHEET #168 OCTOBER 2016

DISCHARGING A TAX LIEN

Beginning October 1, 2016, the Michigan Unemployment Insurance Agency (UIA) is changing its processes for filing and discharging real property liens filed against delinquent employer accounts. The new process comes as a result of Public Acts 224 and 228 of 2016.

The Agency may file a lien against an employer's real property if outstanding debt remains unpaid after several attempts to collect. Several factors are taken into account in order to file a tax lien including the amount and age of the debt.

When an employer has satisfied the debt which resulted in a lien filing, that employer will receive a notice of lien discharge letter from the UIA. The UIA records that lien with the Register of Deeds office in the appropriate county.

As a result of the new law, it is the employer's responsibility to file (record) the discharge and pay the applicable fee to the county in which the lien is recorded.

Lien Recording and Discharge Fees

The lien discharge fee is \$30. Prior to the law change, the UIA paid the lien discharge fee.

In addition to the \$30 lien discharge fee, the employer is now also responsible for the cost of recording the lien. If the lien was filed **before** October 1, 2016, then the lien recording fee is \$2.00. In this instance, the employer's payment to the county when recording the discharge would be \$32.00.

If the lien for which an employer received a discharge letter was filed on or **after** October 1, 2016, it means the UIA paid \$30 to record that lien. In this case, the employer would need to remit \$60 to the county Register of Deeds office to file the lien discharge.

The amount due to the Register of Deeds can be found on the Certificate of Discharge (Form UIA 1450). Contact the county Registrar of Deeds office to determine the most efficient way to file and record the discharge. Again, for liens recorded before October 1, 2016, the lien discharge fee will be \$32.00 while the discharge fee for liens recorded on or after October 1, 2016, will be \$60.

When filing (recording) a lien discharge, the employer will need to have their Certificate of Discharge from the UIA along with their payment.

For more information, contact the UIA's Office of Employer Ombudsman at 1-855-4UIAOEO (1-855-484-2636 or oeo@michigan.gov).