

# Request to Bill Seller Following a Principal Residence Exemption (PRE) Denial

Issued under authority of Public Act 206 of 1893.

Read the instructions before completing the form. Notify the county or local treasurer of the bona fide sale and that Form 4816 has been sent to the Department of Treasury. Email completed form and supporting documentation to: **PRE@Michigan.gov**

PART 1: PROPERTY INFORMATION			
Property Tax Identification Number			
Street Address			County
Township or City Name (Check appropriate box, write in name) <input type="checkbox"/> Township <input type="checkbox"/> City			ZIP Code
PART 2: PRE DENIAL AND BILLING INFORMATION			
Who denied the PRE? (A copy of the PRE denial notice must be attached) <input type="checkbox"/> Department of Treasury <input type="checkbox"/> County <input type="checkbox"/> Township/City Assessor			
First and last name of seller(s) or Entity Name to be billed (Must be the person(s) or Entity denied)			
Current Mailing Address		City	State    ZIP Code
Date of Bona fide Sale	<b>A copy of the deed, land contract or other legally executed document transferring the property from the seller to the bona fide purchaser must be attached.</b>		
In the table below, list each year billed and the corresponding tax information. If a Supplemental School Tax was levied, deduct that rate from the School Operating Millage Rate.			
Denial Year	Taxable Value	School Operating Millage Rate Summer Tax Levy	School Operating Millage Rate Winter Tax Levy
<input type="checkbox"/> Check this box if there is a \$500 Penalty as a result of a Substantially Similar Exemption in Another State			
PART 3: COUNTY OR LOCAL UNIT CONTACT INFORMATION			
Name of Person Who Prepared Form (Print or Type)		Title	Name of County or Local Unit
Preparer's Signature			Date
Telephone Number	Email Address		

## Instructions for Form 4816

### Request to Bill Seller Following a Principal Residence Exemption (PRE) Denial

This form must be submitted by the county or local treasurer (if you possess the tax roll for the years denied) when requesting that the Department of Treasury (Treasury) bill a seller for additional taxes, interest and penalties resulting from a PRE denial when the property has transferred to a bona fide purchaser.

Specifically, Subsections 6, 8, and 11 of Michigan Compiled Laws 211.7cc state “if the property has been transferred to a bona fide purchaser before additional taxes were billed to the seller as a result of the denial of a claim for exemption, the taxes, interest, and penalties shall not be a lien on the property and shall not be billed to the bona fide purchaser...” The local tax collecting unit in possession of the tax roll then notifies the Treasury who “shall then assess the owner who claimed the exemption under this section for the tax, interest, and penalties accruing as a result of the denial of the claim for exemption...”

A “bona fide purchaser” is one who purchases in good faith for valuable consideration. Therefore, a person who receives property through an inheritance, foreclosure or one who receives property through a quit claim without valuable consideration, would not qualify as bona fide purchaser. If the new owner is not a bona fide purchaser, the taxes are added back to the tax roll and the purchaser is responsible for the additional taxes, interest and penalties which become a lien on the property.

In order for Treasury to process a request to bill the seller for additional taxes, interest and penalties, this form must be completed with the required documents attached. Upon review of the completed form and supporting documents, the Department will process and issue a bill, which will include additional taxes and applicable interest and penalties, to the person(s) or entity listed in Part 2.

#### **PART 1: PROPERTY INFORMATION**

All of the information in Part 1 must be provided to Treasury to process the request. Use a separate form for each property tax identification number.

#### **PART 2: PRE DENIAL AND BILLING INFORMATION**

Provide a copy of the PRE denial notice. For each year denied list the Denial Year Taxable Value and summer and/or Winter Tax Levy School Operating Millage. If a Supplemental School Tax was levied, subtract that Supplemental School Tax from the corresponding Summer and/or Winter Tax Levy School Operating Millage relating to the property in Part 1 must be submitted with this form.

For each year the PRE was denied, requiring the Department to bill the seller, list the Denial Year, Taxable Value, Summer and/or Winter Tax Levy School Operating Millage Rate.

A \$500 Penalty is billed when a PRE denial was a result of a substantially similar exemption, deduction, or credit in another state.

A copy of the deed, land contract or other legally executed document transferring the property from the seller to the bona fide purchaser must be submitted with this form. List with their current mailing address. If the seller is a company, the complete company name, address, and Federal Employer Identification Number (FEIN), if available, must be provided.

#### **PART 3: COUNTY OR LOCAL UNIT CONTACT INFORMATION**

Provide your contact information including telephone number and email address. The completed form and supporting documents must be emailed to [PRE@Michigan.gov](mailto:PRE@Michigan.gov) or mailed to: Michigan Department of Treasury, PRE Unit, P.O. Box 30440, Lansing, MI 48909. Failure to provide complete information or adequate supporting documentation will delay processing. Notify the county or local treasurer of the bona fide sale and that Form 4816 has been sent to the Department of Treasury

If you have any questions, call the PRE Unit at 517- 335-7487 or email [PRE@Michigan.gov](mailto:PRE@Michigan.gov).