25-95 PUNG V. ISABELLA COUNTY, MICHIGAN

DECISION BELOW: 2025 WL 318222

LOWER COURT CASE NUMBER: 22-1919, 22-1939

QUESTION PRESENTED:

Isabella County confiscated the Pung Estate's private home for approximately $2,200 in taxes and fees (that were never actually owed). The lower courts used the artificially depressed auction sale price rather than the property's fair market value as the starting point for its damages calculation. The Sixth Circuit and others have held that the "fair market value" taken is not what is owed to begin to fulfill the constitutional compensatory obligation imposed by the Fifth Amendment. That defies this Court's precedents. And if it is not taken within the meaning of the Fifth Amendment, it is otherwise an excessive fine under the Eighth Amendment by imposing a punishment by pilfering far more than ever needed to satisfy a small debt.

The questions presented are:

1. Whether taking and selling a home to satisfy a debt to the government, and keeping the surplus value as a windfall, violates the Takings Clause of the Fifth Amendment when the compensation is based on the artificially depressed auction sale price rather than the property's fair market value?

2. Whether the forfeiture of real property worth far more than needed to satisfy a tax debt but sold for fraction of its real value constitutes an excessive fine under the Eighth Amendment, particularly when the debt was never actually owed?

CERT. GRANTED 10/3/2025