

Michigan Security Deposit Laws: Limits, Deductions and Deadlines

Summary for landlords and property managers. Last reviewed October 29, 2026. Full guide: <https://www.generationadvisory.com/laws/michigan-security-deposit-laws>

Michigan's Security Deposit Act caps deposits at one and a half months of rent and sets strict paperwork rules. Landlords who miss the 30 day itemized notice lose the right to claim damages, and tenants must give a forwarding address within 4 days of moving out.

Key points

- A security deposit cannot exceed one and a half months of rent.
- Within 30 days after occupancy ends, the landlord must mail an itemized list of damages with a check or electronic payment for any balance.
- The list must show each claimed damage with its estimated repair cost and include a bold statement that the tenant must respond by mail within 7 days or lose the amount claimed; damage noted on the move in checklist cannot be charged.
- A landlord who does not follow the notice rules waives all claimed damages and is liable for twice the amount of the deposit kept; to keep disputed money the landlord must sue within 45 days after the tenancy ends.
- State law generally does not require landlords to pay interest on security deposits.

Michigan at a glance

Rule	Michigan	Law
Deposit limit	A security deposit cannot exceed one and a half months of rent.	MCL 554.602
Deadline to return the deposit	Within 30 days after occupancy ends, the landlord must mail an itemized list of damages with a check or electronic payment for any balance.	MCL 554.609
Itemized deductions	The list must show each claimed damage with its estimated repair cost and include a bold statement that the tenant must respond by mail within 7 days or lose the amount claimed; damage noted on the move in checklist cannot be charged.	MCL 554.609
Interest on deposits	State law generally does not require landlords to pay interest on security deposits.	Security Deposit Act

Rule	Michigan	Law
Penalty for wrongful withholding	A landlord who does not follow the notice rules waives all claimed damages and is liable for twice the amount of the deposit kept; to keep disputed money the landlord must sue within 45 days after the tenancy ends.	MCL 554.613

Mistakes to avoid

- Skipping a dated move-in condition report with photos, then having nothing to compare against at move out.
- Charging for normal wear and tear.
- Missing the return deadline, even by a few days.
- Not asking for a forwarding address before the tenant leaves.
- Losing track of deposit money by mixing it with operating funds without a ledger.

Verify current law

Laws named in this summary:

- MCL 554.602
- MCL 554.609
- Security Deposit Act
- MCL 554.613
- MCL 554.604
- MCL 554.603

Official sources:

- Michigan Compiled Laws (Michigan Legislature): <https://www.legislature.mi.gov/Laws/MCL>
- Michigan Legislature: Act 348 of 1972 (landlord and tenant relationships): <https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-Act-348-of-1972>
- Michigan Courts: landlord tenant: <https://www.courts.michigan.gov/>

General information, not legal advice. Check current law and talk to a Michigan attorney before you act. Last reviewed October 29, 2026.