

HOUSE BILL No. 4875

May 25, 1989, Introduced by Rep. Saunders and referred to the Committee on Taxation.

A bill to amend section 7d of Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

as amended by Act No. 200 of the Public Acts of 1987, being section 211.7d of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7d of Act No. 206 of the Public Acts of
2 1893, as amended by Act No. 200 of the Public Acts of 1987, being
3 section 211.7d of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 7d. (1) Housing owned and operated by a nonprofit cor-
6 poration or association or by the state, a political subdivision
7 of the state, or an instrumentality of the state — for
8 occupancy or use solely by elderly or handicapped families is
9 exempt from all general property taxation by the state, city,

1 village, or county, or by a public body or agency. For purposes
2 of this section, housing shall be considered occupied solely by
3 elderly or handicapped families even if 1 or more of the units is
4 occupied by service personnel, such as a custodian or nurse.

5 (2) As used in this section, "elderly or handicapped
6 families" means families consisting of 2 or more persons if the
7 head of the household, or his or her spouse, is 62 years of age
8 or over or is handicapped, and includes a single person who is 62
9 years of age or over or is handicapped.

10 (3) As used in this section, "handicapped" ~~person~~ means
11 that term as ~~defined~~ USED in section 202 of the ~~national~~
12 housing act of 1959, as amended, 12 U.S.C. 1701q.

13 (4) "Housing" means new or rehabilitated structures with 8
14 or more residential units in 1 or more of the structures for
15 occupancy and use by elderly persons, including essential conti-
16 guous land and related facilities as well as all personal prop-
17 erty of the corporation or association used in connection with
18 the facilities. As used in this subsection, "residential units"
19 ~~include~~ INCLUDES individual self-contained dwellings, or
20 1-bedroom units in a facility for persons with a mental illness,
21 a developmental disability, or a physical handicap as those terms
22 are defined in the adult foster care facility licensing act, Act
23 No. 218 of the Public Acts of 1979, being sections 400.701 to
24 400.737 of the Michigan Compiled Laws, that share dining, living,
25 or bathroom facilities, that is financed at the time of construc-
26 tion or rehabilitation under section 202 ~~of title II~~ of the
27 housing act of 1959, 12 U.S.C. 1701q, and that is licensed as an

1 adult foster care facility under the adult foster care facility
2 licensing act, Act No. 218 of the Public Acts of 1979.

3 (5) "Nonprofit corporation or association" means a nonprofit
4 corporation or association incorporated under the laws of this
5 state not otherwise exempt from general ad valorem real and per-
6 sonal property taxes operating a housing facility or project
7 qualified, built, or financed under section 202 of the ~~national~~
8 housing act of 1959, ~~as amended,~~ 12 U.S.C. 1701q or section 236
9 of the national housing act, ~~as added by Public Law 90-448,~~ 12
10 U.S.C. 1715z-1.

11 (6) When a tax roll is placed in the hands of a city,
12 county, village, or township treasurer for collection, and there
13 are taxes assessed on that roll against property concerning which
14 exemption is claimed under this section, the treasurer shall pre-
15 pare a statement on a form prescribed by the department of man-
16 agement and budget showing all descriptions for which exemptions
17 have been claimed under this section, the names and addresses of
18 the corporations or associations entitled to the exemptions, the
19 total amount of taxes so exempted, and the amount of taxes
20 assessed against the descriptions. The city, county, village, or
21 township treasurer shall forward COPIES OF the statement to the
22 department of management and budget ~~, upon~~ AND THE MICHIGAN
23 STATE HOUSING DEVELOPMENT AUTHORITY FOR VERIFICATION. UPON
24 verification, ~~of which~~ the state treasurer shall draw his or
25 her warrant upon the state treasury for the total amount of tax
26 revenues lost by a local taxing unit as a result of the nonprofit
27 housing exemption allowed by this act as shown by the statement.

1 The state treasurer after examination of the statement shall
2 forward the warrants to the city, county, village, or township
3 treasurer.

4 (7) The budget director shall estimate, as near as may be,
5 the amount of money necessary to meet the expense of administer-
6 ing the provisions of this section under this act during each
7 year, and the expense shall be met by a specific appropriation
8 included in the budget.