

HOUSE BILL No. 5187

October 16, 1989, Introduced by Reps. Gire, Stabenow, Hart, Pitoniak, Barns, Spaniola, Mathieu, Profit, Ciaramitaro, Joe Young, Sr., Harrison, Clack, Webb and DeMars and referred to the Committee on Taxation.

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

"The general property tax act,"

as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws, by adding section 7c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 206 of the Public Acts of 1893, as
2 amended, being sections 211.1 to 211.157 of the Michigan Compiled
3 Laws, is amended by adding section 7c to read as follows:

4 SEC. 7C. (1) AS USED IN THIS SECTION, "HOMESTEAD" AND
5 "HOUSEHOLD INCOME" MEAN THOSE TERMS AS DEFINED IN SECTION 508 OF
6 THE INCOME TAX ACT OF 1967, ACT NO. 281 OF THE PUBLIC ACTS OF
7 1967, BEING SECTION 206.508 OF THE MICHIGAN COMPILED LAWS.

8 (2) THE HOMESTEAD OF A PERSON WHO IS 65 YEARS OF AGE OR
9 OVER, AND WHOSE HOUSEHOLD INCOME FOR THE IMMEDIATELY PRECEDING

1 CALENDAR YEAR WAS NOT MORE THAN \$20,000.00, IS EXEMPT FROM TAXES
2 ASSESSED FOR SCHOOL OPERATING PURPOSES UNDER THIS ACT. HOWEVER,
3 BEGINNING IN THE 1991 CALENDAR YEAR, THE MAXIMUM HOUSEHOLD INCOME
4 FOR THE IMMEDIATELY PRECEDING YEAR ALLOWABLE FOR THE EXEMPTION
5 SHALL BE ADJUSTED EACH YEAR BY THE PERCENTAGE INCREASE OR
6 DECREASE IN THE CONSUMER PRICE INDEX FOR THE UNITED STATES AS
7 DEFINED AND OFFICIALLY REPORTED BY THE UNITED STATES DEPARTMENT
8 OF LABOR FOR THE IMMEDIATELY PRECEDING YEAR.

9 (3) A PERSON ELIGIBLE TO CLAIM THE EXEMPTION SHALL FILE WITH
10 THE LOCAL ASSESSING OFFICER A CLAIM FOR EXEMPTION, WHICH SHALL BE
11 IN AFFIDAVIT FORM AS PROVIDED BY THE DEPARTMENT OF TREASURY. THE
12 CLAIM FOR EXEMPTION SHALL BE FILED DURING THE PERIOD BEGINNING
13 WITH THE FIRST BUSINESS DAY OF EACH CALENDAR YEAR AND ENDING AT
14 THE TIME OF FINAL ADJOURNMENT OF THE LOCAL BOARD OF REVIEW. THE
15 CLAIM FOR EXEMPTION MAY BE USED BY THE LOCAL ASSESSOR AND THE
16 LOCAL TREASURER TO DETERMINE ELIGIBILITY FOR THE EXEMPTION AND
17 THE DEPARTMENT OF TREASURY FOR STATISTICAL OR AUDIT PURPOSES, BUT
18 SHALL NOT BE OPEN FOR PUBLIC INSPECTION.

19 (4) WHEN A TAX ROLL THAT INCLUDES PROPERTY FOR WHICH AN
20 EXEMPTION IS CLAIMED UNDER THIS SECTION IS PLACED IN THE HANDS OF
21 A CITY, VILLAGE, OR TOWNSHIP TREASURER FOR COLLECTION, THE TREA-
22 SURER SHALL PREPARE A STATEMENT IN A FORM RECOMMENDED BY THE
23 DEPARTMENT OF TREASURY INCLUDING ALL OF THE FOLLOWING:

24 (A) A DESCRIPTION OF EACH PARCEL OF PROPERTY FOR WHICH AN
25 EXEMPTION IS CLAIMED UNDER THIS SECTION.

26 (B) THE NAME AND ADDRESS OF EACH PERSON ENTITLED TO THE
27 EXEMPTION.

1 (C) THE AMOUNT OF TAXES ASSESSED AGAINST EACH PARCEL OF
2 PROPERTY.

3 (D) THE TOTAL AMOUNT OF EXEMPT TAXES.

4 (5) IN THE CASE OF A COOPERATIVE HOUSING CORPORATION, THE
5 TOWNSHIP TREASURER SHALL APPORTION THE STATE EQUALIZED VALUATION
6 ON WHICH TAXES ARE COMPUTED UNDER THE GENERAL AD VALOREM PROPERTY
7 TAX OF THE WHOLE COOPERATIVE TO THE UNIT FOR WHICH REIMBURSEMENT
8 IS CLAIMED IN THE SAME PROPORTION AS THE VALUE OF THE UNIT FOR
9 WHICH REIMBURSEMENT IS CLAIMED BEARS TO THE VALUE OF THE
10 COOPERATIVE.

11 (6) THE CITY, VILLAGE, OR TOWNSHIP TREASURER SHALL FORWARD
12 THE STATEMENT TO THE DEPARTMENT OF TREASURY. UPON VERIFICATION
13 OF THE STATEMENT, THE STATE TREASURER SHALL DRAW A WARRANT UPON
14 THE STATE TREASURY FOR THE TOTAL AMOUNT OF TAX REVENUES LOST BY
15 THE LOCAL TAXING UNIT AS A RESULT OF THE EXEMPTION ALLOWED BY
16 THIS SECTION AS SHOWN BY THE STATEMENT AND FORWARD THE WARRANT TO
17 THAT CITY, VILLAGE, OR TOWNSHIP TREASURER.

18 (7) THE DEPARTMENT OF TREASURY SHALL ESTIMATE, AS ACCURATELY
19 AS POSSIBLE, THE AMOUNT OF MONEY NECESSARY TO MEET THE EXPENSE OF
20 ADMINISTERING THIS SECTION DURING EACH YEAR, AND THE EXPENSE
21 SHALL BE MET BY A SPECIFIC APPROPRIATION INCLUDED IN THE BUDGET.

22 Section 2. This amendatory act shall take effect December
23 31, 1989.

24 Section 3. This amendatory act shall not take effect unless
25 Senate Bill No. _____ or House Bill No. 5188 (request
26 no. 03951'89) of the 85th Legislature is enacted into law.