

SENATE BILL No. 36

January 11, 1989, Introduced by Senators DILLINGHAM, ARTHURHULTZ
and WELBORN and referred to the Committee on Finance.

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 9d.

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 9d to read as follows:

4 SEC. 9D. (1) DAILY RENTAL PROPERTY THAT HAS A TRUE CASH
5 VALUE OF \$5,000.00 OR LESS IS EXEMPT FROM TAXATION UNDER THIS
6 ACT.

7 (2) DAILY RENTAL PROPERTY THAT HAS A TRUE CASH VALUE GREATER
8 THAN \$5,000.00 AND THAT IS COMMONLY FOUND IN OR USED TO MAINTAIN
9 A HOMESTEAD IS EXEMPT FROM TAXATION UNDER THIS ACT.

1 (3) A PORTION OF THE TRUE CASH VALUE OF DAILY RENTAL
2 PROPERTY THAT IS NOT EXEMPT UNDER SUBSECTION (1) OR (2) IS EXEMPT
3 FROM TAXATION UNDER THIS ACT. TO DETERMINE THE PORTION OF TRUE
4 CASH VALUE THAT IS EXEMPT, MULTIPLY THE TRUE CASH VALUE TIMES A
5 FRACTION, THE NUMERATOR OF WHICH IS THE NUMBER OF DAYS THE DAILY
6 RENTAL PROPERTY IS NOT RENTED DURING THE YEAR AND THE DENOMINATOR
7 OF WHICH IS 365.

8 (4) AS USED IN THIS SECTION, "DAILY RENTAL PROPERTY" MEANS
9 TANGIBLE PERSONAL PROPERTY THAT IS UNDER A RENTAL AGREEMENT OR
10 THAT IS PRINCIPALLY INTENDED FOR RENT RATHER THAN SALE, THE POS-
11 SESSION OF WHICH PROPERTY IS TRANSFERRED FOR CONSIDERATION FOR AN
12 HOURLY, DAILY, WEEKLY, OR MONTHLY PERIOD. DAILY RENTAL PROPERTY
13 DOES NOT INCLUDE EITHER OF THE FOLLOWING:

14 (A) TANGIBLE PERSONAL PROPERTY THAT IS RENTED TO THE SAME
15 PERSON FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS OR TO THE
16 SAME PERSON WITHIN 30 DAYS OF A PREVIOUS 30-DAY RENTAL.

17 (B) A MOTOR VEHICLE REQUIRED TO BE LICENSED UNDER THE
18 MICHIGAN VEHICLE CODE, ACT NO. 300 OF THE PUBLIC ACTS OF 1949,
19 BEING SECTIONS 257.1 TO 257.923 OF THE MICHIGAN COMPILED LAWS.