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HOMESTEAD EXEMPTION APPEALS

House Bill 4276
Sponsor: Rep. Thomas Kelly
Committee: Tax Policy

Complete to 1-20-00

A SUMMARY OF HOUSE BILL 4276 AS INTRODUCED 2-16-99

The bill would amend the General Property Tax Act so that an owner who owned and occupied a homestead on May 1 in any tax year for which the exemption from local school operating taxes was not on the tax roll could go to the board of review in the year for which the exemption was claimed or in any succeeding year. The bill would apply to taxes levied after December 31, 1994. (This means that a person who owned and occupied a homestead as of May 1, 2000 could go to the board of review in 2000 or could go in any subsequent year to gain the exemption for 2000. It also means that a person could still claim a homestead exemption for years 1995-1998, which is not possible now.)

With some exceptions, under Michigan's new school financing system, homesteads (owner-occupied principal residences) are exempt from local school property taxes. To receive a homestead exemption, homeowners need to file an affidavit with the local tax collecting unit by May 1. Once in place, the exemption remains until the property is transferred or ceases to be a homestead; homeowners need not file annually. However, a homeowner who owns and occupies property as of May 1 can also obtain an exemption by going to the July or December board of review in the year for which the exemption is claimed or in the immediately succeeding year. (This means, for example, that a person who owned and occupied a homestead as of May 1, 2000 could go to the July or December board of review in 2000 or 2001 to gain the exemption for 2000.)

MCL 211.7cc

Analyst: C. Couch

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