

# SENATE BILL No. 1326

June 29, 2004, Introduced by Senators SCHAUER, GOSCHKA, CHERRY and BASHAM  
and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7o (MCL 211.7o), as amended by 2000 PA 309.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7o. (1) Real or personal property owned and occupied  
2 by a nonprofit charitable institution while occupied by that  
3 nonprofit charitable institution solely for the purposes for  
4 which it was incorporated is exempt from the collection of taxes  
5 under this act.

6       (2) Real or personal property owned and occupied by a  
7 charitable trust while occupied by that charitable trust solely  
8 for the charitable purposes for which that charitable trust was  
9 established is exempt from the collection of taxes under this  
10 act.

11       (3) Real or personal property owned by a nonprofit charitable

1 institution or charitable trust that is leased, loaned, or  
2 otherwise made available to another nonprofit charitable  
3 institution or charitable trust or to a nonprofit hospital or a  
4 nonprofit educational institution that is occupied by that  
5 nonprofit charitable institution, charitable trust, nonprofit  
6 hospital, or nonprofit educational institution solely for the  
7 purposes for which that nonprofit charitable institution,  
8 charitable trust, nonprofit hospital, or nonprofit educational  
9 institution was organized or established and that would be exempt  
10 from taxes collected under this act if the real or personal  
11 property were occupied by the lessor nonprofit charitable  
12 institution or charitable trust solely for the purposes for which  
13 the lessor charitable nonprofit institution was organized or the  
14 charitable trust was established is exempt from the collection of  
15 taxes under this act.

16 (4) For taxes levied after December 31, 1997, real or  
17 personal property owned by a nonprofit charitable institution or  
18 charitable trust that is leased, loaned, or otherwise made  
19 available to a governmental entity is exempt from the collection  
20 of taxes under this act if all of the following conditions are  
21 satisfied:

22 (a) The real or personal property would be exempt from the  
23 collection of taxes under this act under section 7m if the real  
24 or personal property were owned or were being acquired pursuant  
25 to an installment purchase agreement by the lessee governmental  
26 entity.

27 (b) The real or personal property would be exempt from the

1 collection of taxes under this act if occupied by the lessor  
2 nonprofit charitable institution or charitable trust solely for  
3 the purposes for which the lessor charitable nonprofit  
4 institution was organized or the charitable trust was  
5 established.

6       (5) Real property owned by a nonprofit charitable institution  
7 or a charitable trust that is held for conservation purposes and  
8 that is open to the public generally for recreational use,  
9 including, but not limited to, hiking, bird watching,  
10 cross-country skiing, or snowshoeing is exempt from the  
11 collection of taxes under this act.

12       (6) ~~—(5)—~~ If authorized by a resolution of the local tax  
13 collecting unit in which the real or personal property is  
14 located, real or personal property owned by a nonprofit  
15 charitable institution that is occupied and used by the nonprofit  
16 charitable institution's chief executive officer as his or her  
17 principal residence as a condition of his or her employment and  
18 that is contiguous to real property that contains the nonprofit  
19 charitable institution's principal place of business is exempt  
20 from the collection of taxes under this act.

21       (7) ~~—(6)—~~ A charitable home of a fraternal or secret society,  
22 or a nonprofit corporation whose stock is wholly owned by a  
23 religious or fraternal society that owns and operates facilities  
24 for the aged and chronically ill and in which the net income from  
25 the operation of the corporation does not inure to the benefit of  
26 any person other than the residents, is exempt from the  
27 collection of taxes under this act.

(8) ~~—(7)—~~ As used in this section:

(a) "Charitable trust" means a charitable trust registered under the supervision of trustees for charitable purposes act, 1961 PA 101, MCL 14.251 to 14.266.

(b) "Governmental entity" means 1 or more of the following:

(i) The federal government or an agency, department, division, bureau, board, commission, council, or authority of the federal government.

(ii) This state or an agency, department, division, bureau, board, commission, council, or authority of this state.

(iii) A county, city, township, village, local or intermediate school district, or municipal corporation.

(iv) A public educational institution, including, but not limited to, a local or intermediate school district, a public school academy, a community college or junior college established pursuant to section 7 of article VIII of the state constitution of 1963, or a state 4-year institution of higher education located in this state.

(v) Any other authority or public body created under state law.

(c) "Public school academy" means a public school academy organized under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.