

HOUSE JOINT RESOLUTION B

January 27, 2005, Introduced by Rep. Hildenbrand and referred to the Committee on Tax Policy.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 3 of article IX, to restrict the assessment of agricultural real property used in agricultural operations.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to restrict the assessment of agricultural real property used in agricultural operations, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general

1 ad valorem taxation of real and tangible personal property not
2 exempt by law except for taxes levied for school operating
3 purposes. The legislature shall provide for the determination of
4 true cash value of such property; the proportion of true cash value
5 at which such property shall be uniformly assessed, which shall
6 not, after January 1, 1966, exceed 50 percent; and for a system of
7 equalization of assessments. **FOR TAXES LEVIED IN 2005 AND EACH YEAR**
8 **AFTER 2005, THE LEGISLATURE SHALL PROVIDE FOR AN ASSESSMENT SYSTEM**
9 **BASED UPON AGRICULTURE USE VALUE FOR QUALIFIED AGRICULTURAL**
10 **PROPERTY AS DEFINED BY LAW. THE LEGISLATURE SHALL PROVIDE FOR THE**
11 **ADJUSTMENT OF TAXABLE VALUE AS PROVIDED BY LAW FOR PROPERTY THAT**
12 **CEASES TO BE QUALIFIED AGRICULTURAL PROPERTY AS DEFINED BY LAW.** For
13 taxes levied in 1995 and each year ~~thereafter~~ **AFTER 1995**, the
14 legislature shall provide that the taxable value of each parcel of
15 property adjusted for additions and losses, shall not increase each
16 year by more than the increase in the immediately preceding year in
17 the general price level, as defined in section 33 of this article,
18 or 5 percent, whichever is less until ownership of the parcel of
19 property is transferred. When ownership of the parcel of property
20 is transferred as defined by law, the parcel shall be assessed at
21 the applicable proportion of current true cash value. The
22 legislature may provide for alternative means of taxation of
23 designated real and tangible personal property in lieu of general
24 ad valorem taxation. Every tax other than the general ad valorem
25 property tax shall be uniform upon the class or classes on which it
26 operates. A law that increases the statutory limits in effect as of
27 February 1, 1994 on the maximum amount of ad valorem property taxes

1 that may be levied for school district operating purposes requires
2 the approval of 3/4 of the members elected to and serving in the
3 Senate and in the House of Representatives.

4 Resolved further, That the foregoing amendment shall be
5 submitted to the people of the state at the next general election
6 in the manner provided by law.