

HOUSE JOINT RESOLUTION CC

September 20, 2006, Introduced by Reps. Gaffney, Kahn, Hune, Hildenbrand, Marleau and Ward 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 limit the increase in property's taxable value following a transfer of ownership.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to limit the increase in property's taxable value following a transfer of ownership, 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 1995 and each year
8 thereafter, the legislature shall provide that the taxable value of
9 each parcel of property adjusted for additions and losses, shall
10 not increase each year by more than the increase in the immediately
11 preceding year in the general price level, as defined in section 33
12 of this article, or 5 percent, whichever is less until ownership of
13 the parcel of property is transferred. ~~When~~ **FOR TAXES LEVIED IN**
14 **1995 THROUGH 2006, WHEN** ownership of the parcel of property is
15 transferred as defined by law, the parcel shall be assessed at the
16 applicable proportion of current true cash value. **FOR TAXES LEVIED**
17 **IN 2007 AND EACH YEAR THEREAFTER, WHEN OWNERSHIP OF THE PARCEL OF**
18 **PROPERTY IS TRANSFERRED AS DEFINED BY LAW, THE PARCEL SHALL BE**
19 **ASSESSED AT AN AMOUNT NOT GREATER THAN 110 PERCENT OF THE PARCEL'S**
20 **TAXABLE VALUE IMMEDIATELY PRECEDING THE TRANSFER OF OWNERSHIP.** The
21 legislature may provide for alternative means of taxation of
22 designated real and tangible personal property in lieu of general
23 ad valorem taxation. Every tax other than the general ad valorem
24 property tax shall be uniform upon the class or classes on which it
25 operates. A law that increases the statutory limits in effect as of
26 February 1, 1994 on the maximum amount of ad valorem property taxes
27 that may be levied for school district operating purposes requires

1 the approval of 3/4 of the members elected to and serving in the
2 Senate and in the House of Representatives.

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