

HOUSE JOINT RESOLUTION Q

June 20, 2007, Introduced by Reps. Calley, Rick Jones, Agema, Marleau, Palmer and Meltzer 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 taxable value of real property under certain circumstances.

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 taxable value of real property under certain circumstances, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not

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1 exempt by law except for taxes levied for school operating
2 purposes. The legislature shall provide for the determination of
3 true cash value of such property; the proportion of true cash value
4 at which such property shall be uniformly assessed, which shall
5 not, after January 1, 1966, exceed 50 percent; and for a system of
6 equalization of assessments. For taxes levied in 1995 and each year
7 thereafter, the legislature shall provide that the taxable value of
8 each parcel of property adjusted for additions and losses, shall
9 not increase each year by more than the increase in the immediately
10 preceding year in the general price level, as defined in section 33
11 of this article, or 5 percent, whichever is less until ownership of
12 the parcel of property is transferred. **HOWEVER, FOR TAXES LEVIED**
13 **AFTER 2007, THE LEGISLATURE SHALL PROVIDE THAT IF A PROPERTY'S**
14 **ASSESSED VALUE HAS INCREASED BY LESS THAN BOTH THE GENERAL PRICE**
15 **LEVEL AND 5 PERCENT OR IF A PROPERTY'S ASSESSED VALUE HAS**
16 **DECREASED, ADJUSTED FOR ADDITIONS AND LOSSES, THE PROPERTY'S**
17 **TAXABLE VALUE IN THE IMMEDIATELY SUCCEEDING YEAR SHALL BE THE**
18 **PROPERTY'S TAXABLE VALUE IN THE IMMEDIATELY PRECEDING YEAR ADJUSTED**
19 **FOR ADDITIONS AND LOSSES OR THE PROPERTY'S STATE EQUALIZED**
20 **VALUATION AS DETERMINED BY LAW, WHICHEVER IS LESS.** When ownership
21 of the parcel of property is transferred as defined by law, the
22 parcel shall be assessed at the applicable proportion of current
23 true cash value. The legislature may provide for alternative means
24 of taxation of designated real and tangible personal property in
25 lieu of general ad valorem taxation. Every tax other than the
26 general ad valorem property tax shall be uniform upon the class or
27 classes on which it operates. A law that increases the statutory

1 limits in effect as of February 1, 1994 on the maximum amount of ad
2 valorem property taxes that may be levied for school district
3 operating purposes requires the approval of 3/4 of the members
4 elected to and serving in the Senate and in the House of
5 Representatives.

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