

SUBSTITUTE FOR  
SENATE BILL NO. 45

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 7b. (1) ~~Real property used and owned as a homestead by a~~  
2       **SUBJECT TO SUBSECTIONS (2) TO (4), A PRINCIPAL RESIDENCE THAT IS**  
3       **ELIGIBLE FOR EXEMPTION FROM THE TAX LEVIED BY A LOCAL SCHOOL**  
4       **DISTRICT FOR SCHOOL OPERATING PURPOSES UNDER SECTION 7CC IS EXEMPT**  
5       **FROM THE COLLECTION OF ALL TAXES UNDER THIS ACT IF THE OWNER OF**  
6       **THAT PRINCIPAL RESIDENCE CLAIMS THE EXEMPTION UNDER SECTION 7CC FOR**  
7       **THAT PRINCIPAL RESIDENCE AND IS 1 OF THE FOLLOWING:**

8       (A) A disabled veteran who was discharged from the ~~armed~~  
9       ~~forces~~ **ARMED FORCES** of the United States under honorable  
10       conditions. ~~or by an individual described in subsection (2) is~~

1 ~~exempt from the collection of taxes under this act. To obtain the~~  
2 ~~exemption,~~

3 (B) FOR AS LONG AS HE OR SHE REMAINS UNREARRIED, THE  
4 UNREARRIED SURVIVING SPOUSE OF A DISABLED VETERAN WHO, IMMEDIATELY  
5 BEFORE DEATH, WAS ELIGIBLE FOR THE EXEMPTION UNDER THIS SECTION.

6 (C) FOR AS LONG AS HE OR SHE REMAINS UNREARRIED, THE  
7 UNREARRIED SURVIVING SPOUSE OF A DECEASED MICHIGAN VETERAN WHO  
8 DIED FROM SERVICE-CONNECTED CAUSES WHILE ON ACTIVE DUTY IN THE  
9 ARMED FORCES OF THE UNITED STATES.

10 (2) TO CLAIM AN EXEMPTION UNDER THIS SECTION, AN INDIVIDUAL  
11 DESCRIBED IN SUBSECTION (1) (A), (B), OR (C), OR HIS OR HER LEGAL  
12 DESIGNEE, SHALL FILE WITH THE LOCAL TAX COLLECTING UNIT IN WHICH  
13 THE PROPERTY IS LOCATED an affidavit ~~showing~~ ON A FORM PRESCRIBED  
14 BY THE STATE TAX COMMISSION DESCRIBING THE PROPERTY FOR WHICH THE  
15 EXEMPTION IS CLAIMED AND ATTESTING TO the facts required by this  
16 ~~section and a description of the real property shall be filed by~~  
17 ~~the property owner or his or her legal designee with the supervisor~~  
18 ~~or other assessing officer during the period beginning with the tax~~  
19 ~~day for each year and ending at the time of the final adjournment~~  
20 ~~of the local board of review.~~ SUBSECTION (1) AS OF THE DATE THAT  
21 THE AFFIDAVIT IS SIGNED. THE AFFIDAVIT SHALL BE FILED ON OR BEFORE  
22 JUNE 1 TO CLAIM THE EXEMPTION FOR THE IMMEDIATELY SUCCEEDING SUMMER  
23 TAX LEVY AND ALL SUBSEQUENT TAX LEVIES OR ON OR BEFORE NOVEMBER 1  
24 TO CLAIM THE EXEMPTION FOR THE IMMEDIATELY SUCCEEDING WINTER TAX  
25 LEVY AND ALL SUBSEQUENT TAX LEVIES. NOTWITHSTANDING THE TAX DAY  
26 PROVIDED IN SECTION 2, THE STATUS OF PROPERTY AS EXEMPT UNDER THIS  
27 SECTION SHALL BE DETERMINED ON THE DATE THE AFFIDAVIT CLAIMING AN

1 **EXEMPTION IS FILED.** The affidavit when filed shall be open to  
2 inspection. ~~The county treasurer shall cancel taxes subject to~~  
3 ~~collection under this act for any year in which a disabled veteran~~  
4 ~~eligible for the exemption under this section has acquired title to~~  
5 ~~real property exempt under this section. Upon granting the~~  
6 ~~exemption under this section, each local taxing unit shall bear the~~  
7 ~~loss of its portion of the taxes upon which the exemption has been~~  
8 ~~granted.~~

9 ~~—— (2) If a disabled veteran who is otherwise eligible for the~~  
10 ~~exemption under this section dies, either before or after the~~  
11 ~~exemption under this section is granted, the exemption shall remain~~  
12 ~~available to or shall continue for his or her unremarried surviving~~  
13 ~~spouse. The surviving spouse shall comply with the requirements of~~  
14 ~~subsection (1) and shall indicate on the affidavit that he or she~~  
15 ~~is the surviving spouse of a disabled veteran entitled to the~~  
16 ~~exemption under this section. The exemption shall continue as long~~  
17 ~~as the surviving spouse remains unremarried.~~

18 (3) **AFTER THE AFFIDAVIT UNDER SUBSECTION (2) IS FILED, THE**  
19 **ASSESSOR FOR THE LOCAL TAX COLLECTING UNIT SHALL DETERMINE WHETHER**  
20 **THE REQUIREMENTS OF THIS SECTION ARE MET. IF THE REQUIREMENTS ARE**  
21 **MET, THE ASSESSOR SHALL GRANT THE EXEMPTION. IF GRANTED, THE**  
22 **EXEMPTION REMAINS IN PLACE UNTIL THE DATE ON WHICH THE PROPERTY IS**  
23 **TRANSFERRED OR IS NO LONGER USED AS A PRINCIPAL RESIDENCE AS**  
24 **DEFINED IN SECTION 7DD, AND TAXES EXEMPT FROM COLLECTION IN THE**  
25 **CALENDAR YEAR OF THAT TRANSFER OR CHANGE IN USE SHALL BE DETERMINED**  
26 **IN PROPORTION TO THE NUMBER OF MONTHS THAT THE PROPERTY QUALIFIED**  
27 **FOR THE EXEMPTION UNDER THIS SECTION DURING THAT CALENDAR YEAR.**

1 (4) THE EXEMPTION PROVIDED UNDER THIS SECTION APPLIES ONLY TO  
2 TAXES COLLECTED UNDER THIS ACT AND NOT TO ANY SPECIAL ASSESSMENT  
3 UNLESS THE ACT PROVIDING FOR THE SPECIAL ASSESSMENT PROVIDES  
4 OTHERWISE.

5 (5) ~~(3)~~ As used in this section: ~~,"disabled~~

6 (A) "ARMED FORCES OF THE UNITED STATES" MEANS THE ARMED FORCES  
7 OF THE UNITED STATES AND THEIR RESERVE COMPONENTS.

8 (B) "DECEASED MICHIGAN VETERAN" MEANS AN INDIVIDUAL WHO,  
9 IMMEDIATELY BEFORE DEATH, SERVED IN THE ARMED FORCES OF THE UNITED  
10 STATES AND WAS A LEGAL RESIDENT OF THIS STATE.

11 (C) "DISABLED veteran" means a person who is a LEGAL resident  
12 of this state and who meets 1 of the following criteria:

13 (i) ~~(a)~~ Has been determined by the United States ~~department of~~  
14 ~~veterans affairs~~ DEPARTMENT OF VETERANS AFFAIRS to be permanently  
15 and totally disabled as a result of military service and entitled  
16 to veterans' benefits at the 100% rate.

17 (ii) ~~(b)~~ Has a certificate from the United States ~~veterans~~  
18 ~~administration, or its successors,~~ DEPARTMENT OF VETERANS AFFAIRS,  
19 certifying that he or she is receiving or has received pecuniary  
20 assistance due to disability for specially adapted housing.

21 (iii) ~~(c)~~ Has been rated by the United States ~~department of~~  
22 ~~veterans affairs~~ DEPARTMENT OF VETERANS AFFAIRS as individually  
23 unemployable.

24 (D) "OWNER" MEANS THAT TERM AS DEFINED IN SECTION 7DD.

25 (E) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED IN  
26 SECTION 7DD.

27 (F) "UNREMARIED SURVIVING SPOUSE" MEANS EITHER OF THE

1 FOLLOWING:

2 (i) AN INDIVIDUAL WHO WAS MARRIED TO A DISABLED VETERAN WHEN  
3 THAT VETERAN DIED AND WHO, SINCE THE TIME OF THAT SPOUSE'S DEATH,  
4 HAS NEVER BEEN REMARRIED.

5 (ii) AN INDIVIDUAL WHO WAS MARRIED TO A DECEASED MICHIGAN  
6 VETERAN WHEN THAT VETERAN DIED FROM SERVICE-CONNECTED CAUSES WHILE  
7 ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES AND WHO,  
8 SINCE THE TIME OF THAT SPOUSE'S DEATH, HAS NEVER BEEN REMARRIED.