

HOUSE BILL No. 5160

October 24, 2017, Introduced by Rep. Byrd and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7u (MCL 211.7u), as amended by 2012 PA 135.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7u. (1) The principal residence of persons who, in the
2 judgment of the supervisor and board of review, by reason of
3 poverty, are unable to contribute toward the public charges is
4 eligible for exemption in whole or in part from taxation under this
5 act. This section does not apply to the property of a corporation.

6 (2) To be eligible for exemption under this section, a person
7 shall, **SUBJECT TO SUBSECTION (5)**, do all of the following on an
8 annual basis:

9 (a) Be an owner of and occupy as a principal residence the
10 property for which an exemption is requested. **THE PERSON SHALL**

1 **AFFIRM THIS OWNERSHIP AND OCCUPANCY STATUS IN WRITING BY FILING A**
2 **FORM PRESCRIBED BY THE STATE TAX COMMISSION WITH THE LOCAL**
3 **ASSESSING UNIT.**

4 (b) File a claim with the supervisor or board of review on a
5 form provided by the local assessing unit, accompanied by federal
6 and state income tax returns for all persons residing in the
7 principal residence, including any property tax credit returns,
8 filed in the immediately preceding year or in the current year.
9 Federal and state income tax returns are not required for a person
10 residing in the principal residence if that person was not required
11 to file a federal or state income tax return in the tax year in
12 which the exemption under this section is claimed or in the
13 immediately preceding tax year. If a person was not required to
14 file a federal or state income tax return in the tax year in which
15 the exemption under this section is claimed or in the immediately
16 preceding tax year, an affidavit in a form prescribed by the state
17 tax commission may be accepted in place of the federal or state
18 income tax return. The filing of a claim under this subsection
19 constitutes an appearance before the board of review for the
20 purpose of preserving the claimant's right to appeal the decision
21 of the board of review regarding the claim.

22 (c) Produce a valid ~~driver's~~ **DRIVER** license or other form of
23 identification if requested by the supervisor or board of review.

24 (d) Produce a deed, land contract, or other evidence of
25 ownership of the property for which an exemption is requested if
26 required by the supervisor or board of review.

27 (e) Meet the federal poverty guidelines updated annually in

1 the ~~federal register~~ **FEDERAL REGISTER** by the United States
2 ~~department of health and human services~~ **DEPARTMENT OF HEALTH AND**
3 **HUMAN SERVICES** under authority of ~~section 673 of subtitle B of~~
4 ~~title VI of the omnibus budget reconciliation act of 1981, Public~~
5 ~~Law 97-35,~~ 42 USC 9902 , or alternative guidelines adopted by the
6 governing body of the local assessing unit provided the alternative
7 guidelines do not provide income eligibility requirements less than
8 the federal guidelines.

9 (3) The application for an exemption under this section shall
10 be filed after January 1 but before the day prior to the last day
11 of the board of review.

12 (4) The governing body of the local assessing unit shall
13 determine and make available to the public the policy and
14 guidelines the local assessing unit uses for the granting of
15 exemptions under this section. The guidelines shall include but not
16 be limited to the specific income and asset levels of the claimant
17 and total household income and assets.

18 (5) The board of review shall follow the policy and guidelines
19 of the local assessing unit in granting or denying an exemption
20 under this section unless the board of review determines there are
21 substantial and compelling reasons why there should be a deviation
22 from the policy and guidelines and the substantial and compelling
23 reasons are communicated in writing to the claimant. **THE BOARD OF**
24 **REVIEW MAY GRANT AN EXEMPTION UNDER THIS SECTION FOR ANY OF THE**
25 **FOLLOWING YEARS IN WHICH THE APPLICANT IS OR WAS QUALIFIED FOR THE**
26 **EXEMPTION UNDER THE ELIGIBILITY REQUIREMENTS SET FORTH IN**
27 **SUBSECTION (2) :**

1 (A) THE CURRENT YEAR.

2 (B) ANY OF THE IMMEDIATELY PRECEDING 3 YEARS. HOWEVER, AN
3 APPLICANT WHO IS ELIGIBLE FOR AN EXEMPTION UNDER THIS SECTION IN A
4 PRECEDING YEAR IS NOT ENTITLED TO A REFUND FOR ANY PROPERTY TAXES
5 COLLECTED UNDER THIS ACT ON THE ELIGIBLE PROPERTY FOR THAT YEAR.

6 (6) A person who files a claim under this section is not
7 prohibited from also appealing the assessment on the property for
8 which that claim is made before the board of review in the same
9 year.

10 (7) As used in this section, "principal residence" means
11 principal residence or qualified agricultural property as those
12 terms are defined in section 7dd.