

**SUBSTITUTE FOR
HOUSE BILL NO. 4985**

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 ~~disabled veteran who was discharged from the armed forces of the~~
3 ~~United States under honorable conditions or by an individual~~
4 ~~described in subsection (2) is exempt from the collection of taxes~~
5 ~~under this act. To obtain the exemption, an affidavit showing the~~
6 ~~facts required by this section and a description of the real~~
7 ~~property shall be filed by the property owner or his or her legal~~
8 ~~designee with the supervisor or other assessing officer during the~~
9 ~~period beginning with the tax day for each year and ending at the~~

~~1 time of the final adjournment of the local board of review. The
2 affidavit when filed shall be open to inspection. The county
3 treasurer shall cancel taxes subject to collection under this act
4 for any year in which a disabled veteran eligible for the exemption
5 under this section has acquired title to real property exempt under
6 this section. Upon granting the exemption under this section, each
7 local taxing unit shall bear the loss of its portion of the taxes
8 upon which the exemption has been 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) As used in this section, "disabled veteran" means a person
19 who is a resident of this state and who meets 1 of the following
20 criteria:~~

~~21 (a) Has been determined by the United States department of
22 veterans affairs to be permanently and totally disabled as a result
23 of military service and entitled to veterans' benefits at the 100%
24 rate.~~

~~25 (b) Has a certificate from the United States veterans'
26 administration, or its successors, certifying that he or she is
27 receiving or has received pecuniary assistance due to disability~~

1 ~~for specially adapted housing.~~

2 ~~—— (c) Has been rated by the United States department of veterans~~
3 ~~affairs as individually unemployable.~~

4 (1) IF A DISABLED VETERAN OR THE WIDOW OR WIDOWER OF A
5 DISABLED VETERAN INTENDS TO CLAIM THE HOMESTEAD CREDIT PROVIDED FOR
6 IN SECTION 520A OF THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL
7 206.520A, HE OR SHE SHALL, AS REQUIRED BY SECTION 520A OF THE
8 INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.520A, FILE AN
9 AFFIDAVIT WITH THE LOCAL TAX COLLECTING UNIT STATING THAT INTENTION
10 AND DESCRIBING THE HOMESTEAD FOR WHICH THE CREDIT WILL BE CLAIMED.
11 THE AFFIDAVIT MAY BE FILED ANYTIME IN THE CALENDAR YEAR DURING
12 WHICH THE PROPERTY TAXES SUBJECT TO THE CREDIT UNDER SECTION 520A
13 OF THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.520A, ARE
14 LEVIED. THE DEPARTMENT OF TREASURY SHALL PRESCRIBE A FORM TO BE
15 USED FOR AN AFFIDAVIT FILED UNDER THIS SUBSECTION AND SHALL PROVIDE
16 THE FORM TO THE LOCAL TAX COLLECTING UNIT.

17 (2) A LOCAL TAX COLLECTING UNIT THAT RECEIVES AN AFFIDAVIT
18 FILED UNDER SUBSECTION (1) SHALL DEFER COLLECTING ANY PROPERTY
19 TAXES LEVIED ON THE HOMESTEAD DURING THE CALENDAR YEAR IN WHICH THE
20 AFFIDAVIT WAS FILED UNTIL 1 OF THE FOLLOWING:

21 (A) THIS STATE PAYS THOSE PROPERTY TAXES UNDER SECTION 520A OF
22 THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.520A.

23 (B) THIS STATE REJECTS THE CLAIM FOR THE CREDIT UNDER SECTION
24 520A OF THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.520A.

25 (3) PROPERTY TAXES DEFERRED UNDER SUBSECTION (2) ARE NOT
26 SUBJECT TO PENALTIES OR INTEREST FOR THE PERIOD OF DEFERMENT.

27 (4) PAYMENTS MADE BY THIS STATE UNDER SECTION 520A OF THE

1 INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.520A, FOR PROPERTY
2 TAXES COLLECTED UNDER THIS ACT ARE CONSIDERED TAXES PAID BY THE
3 DISABLED VETERAN OR THE WIDOW OR WIDOWER OF A DISABLED VETERAN.

4 (5) AS USED IN THIS SECTION, "DISABLED VETERAN" MEANS THAT
5 TERM AS DEFINED IN SECTION 516 OF THE INCOME TAX ACT OF 1967, 1967
6 PA 281, MCL 206.516.

7 Enacting section 1. This amendatory act takes effect December
8 31, 2018.

9 Enacting section 2. This amendatory act does not take effect
10 unless House Bill No. 4986 of the 99th Legislature is enacted into
11 law.