S.B. 369

A bill to amend 1893 PA 206, entitled

"The general property tax act,"

by amending section 7d (MCL 211.7d), as amended by 1987 PA 200.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 7d. (1) Housing owned and operated by a nonprofit corporation or association or by the state, a political subdivision of the state, or an instrumentality of the state, for occupancy or use solely by elderly or <u>handicapped</u> DISABLED families is exempt from all general property taxation by the state, city, village, or county, or by a public body or agency. For purposes of this section, housing shall be considered occupied solely by elderly or <u>handicapped</u> DISABLED families even if 1 or more of the units is occupied by service personnel, such as a custodian or nurse.

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(2) As used in this section, "elderly or <u>handicapped</u>
 DISABLED families" means families consisting of 2 or more persons
 if the head of the household, or his or her spouse, is 62 years
 of age or over or is <u>handicapped</u> DISABLED, and includes a
 single person who is 62 years of age or over or is <u>handicapped</u>
 DISABLED.

7 (3) As used in this section, "handicapped person" means
8 that term as defined in section 202 of the national housing act
9 of 1959, as amended, 12 U.S.C. 1701q.

(3) - (4) "Housing" means new or rehabilitated structures 10 11 with 8 or more residential units in 1 or more of the structures 12 for occupancy and use by elderly persons, including essential 13 contiguous land and related facilities as well as all personal 14 property of the corporation or association used in connection 15 with the facilities. As used in this subsection, "residential 16 units" include individual self-contained dwellings, or 1-bedroom 17 units in a facility for persons with a mental illness, a develop-18 mental disability, or a physical <u>handicap</u> DISABILITY as those 19 terms are defined in the adult foster care facility licensing 20 act, Act No. 218 of the Public Acts of 1979, being sections 21 400.701 to 400.737 of the Michigan Compiled Laws 1979 PA 218, 22 MCL 400.701 TO 400.737, that share dining, living, or bathroom 23 facilities, that is financed at the time of construction or reha-24 bilitation under section 202 of title II of the housing act of 25 1959, PUBLIC LAW 86-372, 12 U.S.C. 1701q, and that is licensed as 26 an adult foster care facility under the adult foster care

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1 facility licensing act, Act No. 218 of the Public Acts of 1979
2 1979 PA 218, MCL 400.701 TO 400.737.

3 (4) -(5) "Nonprofit corporation or association" means a
4 nonprofit corporation or association incorporated under the laws
5 of this state not otherwise exempt from general ad valorem real
6 and personal property taxes operating a housing facility or
7 project qualified, built, or financed under section 202 of TITLE
8 II OF the national housing act of 1959, as amended, PUBLIC LAW
9 86-372, 12 U.S.C. 1701q, or section 236 of the national housing
10 act, as added by Public Law 90-448 CHAPTER 847, 82 STAT. 498,
11 12 U.S.C. 1715z-1.

(5) -(6) When a tax roll is placed in the hands of a city, 12 13 county, village, or township treasurer for collection, and there 14 are taxes assessed on that roll against property concerning which 15 exemption is claimed under this section, the treasurer shall pre-16 pare a statement on a form prescribed by the department of man-17 agement and budget showing all descriptions for which exemptions 18 have been claimed under this section, the names and addresses of 19 the corporations or associations entitled to the exemptions, the 20 total amount of taxes so exempted, and the amount of taxes 21 assessed against the descriptions. The city, county, village, or 22 township treasurer shall forward the statement to the department 23 of management and budget, upon verification of which the state 24 treasurer shall draw his or her warrant upon the state treasury 25 for the total amount of tax revenues lost by a local taxing unit 26 as a result of the nonprofit housing exemption allowed by this 27 act as shown by the statement. The state treasurer after

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1 examination of the statement shall forward the warrants to the **2** city, county, village, or township treasurer.

3 (6) -(7) The budget director shall estimate, as near as may 4 be, the amount of money necessary to meet the expense of adminis-5 tering the provisions of this section under this act during each **6** year, and the expense shall be met by a specific appropriation 7 included in the budget.

Enacting section 1. This amendatory act does not take 8 9 effect unless Senate Bill No. _____ or House Bill No. _____ 10 (request no. 01840'97) of the 89th Legislature is enacted into **11** law.

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