



HOUSE BILL No. 4893

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June 29, 1993, Introduced by Reps. Middleton and Dolan and referred to the Committee on Taxation.

A bill to amend section 7d of Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

as amended by Act No. 200 of the Public Acts of 1987, being section 211.7d of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7d of Act No. 206 of the Public Acts of
2 1893, as amended by Act No. 200 of the Public Acts of 1987, being
3 section 211.7d of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 7d. (1) Housing owned and operated by a nonprofit cor-
6 poration or association or by the state, a political subdivision
7 of the state, or an instrumentality of the state, for occupancy
8 or use solely by elderly or handicapped families is exempt from
9 all general property taxation by the state, city, village, or

1 county, or by a public body or agency. For purposes of this
 2 section, housing ~~shall be~~ IS considered occupied solely by
 3 elderly or handicapped families even if 1 or more of the units is
 4 occupied by service personnel, such as a custodian or nurse.

5 (2) As used in this section, "elderly or handicapped
 6 families" means families consisting of 2 or more persons if the
 7 head of the household, or his or her spouse, is 62 years of age
 8 or ~~over~~ OLDER or is handicapped, and includes a single person
 9 who is 62 years of age or ~~over~~ OLDER or is handicapped.

10 (3) As used in this section, "handicapped person" means
 11 ~~that term as defined in section 202 of the national housing act~~
 12 ~~of 1959, as amended, 12 U.S.C. 1701q~~ A PERSON WITH A MENTAL ILL-
 13 NESS, DEVELOPMENTAL DISABILITY, OR PHYSICAL HANDICAP AS THOSE
 14 TERMS ARE DEFINED IN THE ADULT FOSTER CARE FACILITY LICENSING
 15 ACT, ACT NO. 218 OF THE PUBLIC ACTS OF 1979, BEING
 16 SECTIONS 400.701 TO 400.737 OF THE MICHIGAN COMPILED LAWS.

17 (4) "Housing" means new or rehabilitated structures with 8
 18 or more residential units in 1 or more of the structures for
 19 occupancy and use by elderly persons, including essential conti-
 20 guous land and related facilities as well as all personal prop-
 21 erty of the corporation or association used in connection with
 22 the facilities. As used in this subsection, "residential units"
 23 include individual self-contained dwellings, or 1-bedroom units
 24 in a facility for persons with a mental illness, a developmental
 25 disability, or a physical handicap as those terms are defined in
 26 the adult foster care facility licensing act, Act No. 218 of the
 27 Public Acts of 1979, being sections 400.701 to 400.737 of the

1 Michigan Compiled Laws, that share dining, living, or bathroom
 2 facilities, that is financed at the time of construction or reha-
 3 bilitation under section 202 of title II of the housing act of
 4 1959, PUBLIC LAW 86-372, 12 U.S.C. 1701q, and that is licensed as
 5 an adult foster care facility under the adult foster care facil-
 6 ity licensing act, Act No. 218 of the Public Acts of 1979.

7 (5) "Nonprofit corporation or association" means a nonprofit
 8 corporation or association incorporated under the laws of this
 9 state not otherwise exempt from general ad valorem real and per-
 10 sonal property taxes operating a housing facility or project
 11 qualified, built, or financed under section 202 of TITLE II OF
 12 the ~~national~~ housing act of 1959, ~~as amended~~ PUBLIC LAW
 13 86-372, 12 U.S.C. 1701q, or section 236 of TITLE II OF the
 14 national housing act, ~~as added by Public Law 90-448~~ CHAPTER
 15 847, 82 STAT. 498, 12 U.S.C. 1715z-1.

16 (6) When a tax roll is placed in the hands of a city,
 17 county, village, or township treasurer for collection, and there
 18 are taxes assessed on that roll against property concerning
 19 ~~which~~ AN exemption ~~is~~ claimed under this section, the trea-
 20 surer shall prepare a statement on a form prescribed by the
 21 department of management and budget showing all descriptions for
 22 which exemptions have been claimed under this section, the names
 23 and addresses of the corporations or associations entitled to the
 24 exemptions, the total amount of taxes so exempted, and the amount
 25 of taxes assessed against the descriptions. The city, county,
 26 village, or township treasurer shall forward the statement to the
 27 department of management and budget, upon verification of which

1 the state treasurer shall draw his or her warrant upon the state
2 treasury for the ~~total~~ amount of tax revenues lost by a local
3 taxing unit as a result of the nonprofit housing exemption
4 allowed by this act as shown by the statement TO THE EXTENT
5 ALLOWED BY APPROPRIATIONS. The state treasurer after examination
6 of the statement shall forward the warrants to the city, county,
7 village, or township treasurer.

8 (7) ~~The budget director shall estimate, as near as may be,~~
9 IF the amount of money ~~necessary~~ APPROPRIATED to meet the
10 expense of administering the provisions of this section ~~under~~
11 ~~this act~~ during ~~each~~ A year ~~, and the expense shall be met by~~
12 ~~a specific appropriation included in the budget~~ IS INSUFFICIENT,
13 THE REIMBURSEMENTS UNDER SUBSECTION (6) SHALL BE MADE ON A PRO
14 RATA BASIS.