

# HOUSE BILL No. 4101

January 31, 2001, Introduced by Reps. Koetje, Bishop, Gosselin, Raczkowski, Mortimer, Ehardt, Kooiman, Kowall and Richner and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
(MCL 211.1 to 211.157) by adding section 7gg.

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

1 SEC. 7GG. (1) THE GOVERNING BODY OF A CITY, VILLAGE, OR  
2 TOWNSHIP MAY ADOPT A RESOLUTION TO PROVIDE FOR THE EXEMPTION FROM  
3 THE COLLECTION OF TAXES UNDER THIS ACT OF NOT MORE THAN 50% OF  
4 THE TAXABLE VALUE OF ALL HOMESTEAD PROPERTY LOCATED IN AN ELIGI-  
5 BLE DISTRICT OR DISTRICTS DESIGNATED IN THE RESOLUTION. A COPY  
6 OF THE RESOLUTION SHALL BE FILED WITH THE STATE TAX COMMISSION  
7 AND SHALL NOT BECOME EFFECTIVE UNLESS APPROVED AS PROVIDED IN  
8 SUBSECTION (3).

9 (2) SUBJECT TO SUBSECTION (3), THE EXEMPTION UNDER THIS  
10 SECTION SHALL BECOME EFFECTIVE ON THE DECEMBER 31 IMMEDIATELY  
11 SUCCEEDING THE ADOPTION OF THE RESOLUTION BY THE GOVERNING BODY

1 OF THE CITY, VILLAGE, OR TOWNSHIP AND SHALL CONTINUE IN EFFECT  
2 FOR A PERIOD SPECIFIED IN THE RESOLUTION, NOT TO EXCEED 10 YEARS,  
3 OR UNTIL THE HOMESTEAD'S EXEMPTION IS RESCINDED PURSUANT TO SEC-  
4 TION 7CC.

5 (3) NOT MORE THAN 60 DAYS AFTER RECEIPT OF A COPY OF A RESO-  
6 LUTION ADOPTED UNDER SUBSECTION (1), THE STATE TAX COMMISSION  
7 SHALL APPROVE OR DISAPPROVE THE RESOLUTION. THE STATE TAX COM-  
8 MISSION SHALL APPROVE THE RESOLUTION IF THE STATE TAX COMMISSION  
9 DETERMINES THAT THE EXEMPTION IS NECESSARY TO ENCOURAGE RESIDEN-  
10 TIAL HOME OWNERSHIP WITHIN THE ELIGIBLE DISTRICT DESIGNATED IN  
11 THE RESOLUTION. THE STATE TREASURER SHALL ADVISE THE STATE TAX  
12 COMMISSION AS TO WHETHER EXEMPTING HOMESTEAD PROPERTY IN THE ELI-  
13 GIBLE DISTRICT IS NECESSARY TO ENCOURAGE RESIDENTIAL HOME OWNER-  
14 SHIP WITHIN THE ELIGIBLE DISTRICT.

15 (4) AS USED IN THIS SECTION:

16 (A) "ELIGIBLE DISTRICT" MEANS 1 OR MORE OF THE FOLLOWING:

17 (i) AN INDUSTRIAL DEVELOPMENT DISTRICT AS THAT TERM IS  
18 DEFINED IN 1974 PA 198, MCL 207.551 TO 207.572.

19 (ii) A RENAISSANCE ZONE AS THAT TERM IS DEFINED IN THE  
20 MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376, MCL 125.2681 TO  
21 125.2696.

22 (iii) AN ENTERPRISE ZONE AS THAT TERM IS DEFINED IN THE  
23 ENTERPRISE ZONE ACT, 1985 PA 224, MCL 125.2101 TO 125.2123.

24 (iv) A BROWNFIELD REDEVELOPMENT ZONE AS THAT TERM IS DEFINED  
25 IN THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381,  
26 MCL 125.2651 TO 125.2672.

1           (v) AN EMPOWERMENT ZONE DESIGNATED UNDER SUBCHAPTER U OF  
2 CHAPTER 1 OF THE INTERNAL REVENUE CODE OF 1986, 26 U.S.C. 1391 TO  
3 1397F.

4           (vi) AN AUTHORITY DISTRICT OR A DEVELOPMENT AREA AS THOSE  
5 TERMS ARE DEFINED IN THE TAX INCREMENT FINANCE AUTHORITY ACT,  
6 1980 PA 450, MCL 125.1801 TO 125.1830.

7           (vii) AN AUTHORITY DISTRICT AS THAT TERM IS DEFINED IN THE  
8 LOCAL DEVELOPMENT FINANCING ACT, 1986 PA 281, MCL 125.2151 TO  
9 125.2174.

10          (viii) A DOWNTOWN DISTRICT OR A DEVELOPMENT AREA AS THOSE  
11 TERMS ARE DEFINED IN 1975 PA 197, MCL 125.1651 TO 125.1681.

12          (B) "HOMESTEAD" MEANS THAT TERM AS DEFINED IN SECTION 7DD.

13          (C) "HOMESTEAD PROPERTY" MEANS A HOMESTEAD FOR WHICH AN  
14 EXEMPTION HAS BEEN GRANTED PURSUANT TO SECTION 7CC.