

HOUSE BILL No. 4941

July 2, 2003, Introduced by Reps. Tobocman, Hunter, Dennis and Gillard and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7d (MCL 211.7d), as amended by 1998 PA 469.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7d. (1) Housing owned and operated by a nonprofit
2 corporation or association or by this state, a political
3 subdivision of this state, or an instrumentality of this state,
4 for occupancy or use solely by elderly **persons** or disabled
5 ~~families~~ **persons** is exempt from the collection of taxes under
6 this act. For purposes of this section, housing is considered
7 occupied solely by elderly **persons** or disabled ~~families~~ **persons**
8 even if 1 or more of the **residential** units is occupied by service
9 personnel, such as a custodian or nurse.

10 (2) If a local tax collecting unit has a tax roll for
11 collection, and the tax roll contains taxes assessed against

1 property for which an exemption is claimed under this section,
2 the appropriate collecting officer shall prepare a statement on a
3 form prescribed by the department of management and budget
4 describing the property for which an exemption is claimed under
5 this section, the names and addresses of the **nonprofit**
6 corporation or association entitled to the exemption, the total
7 amount of taxes exempted, and the amount of taxes assessed
8 against the property. The local tax collecting unit shall
9 forward the statement to the department of management and
10 budget. Upon verification of the statement, the state treasurer
11 shall draw his or her warrant upon the state treasury for the
12 total amount of tax revenues lost by the local tax collecting
13 unit as a result of the exemption under this section as shown by
14 the statement. After examining the statement, the state
15 treasurer shall forward the warrants to the treasurer of the
16 local tax collecting unit.

17 (3) The director of the department of management and budget
18 shall estimate the amount necessary to meet the expense of
19 administering the provisions of this section in each year, and
20 the legislature shall appropriate an amount sufficient to meet
21 that expense in each year.

22 (4) As used in this section:

23 (a) "Disabled person" means a person with disabilities.

24 ~~(b) "Elderly or disabled families" means families~~
25 ~~consisting of 2 or more persons if the head of the household, or~~
26 ~~his or her spouse, is 62 years of age or over or is a disabled~~
27 ~~person, and includes a single person who is 62 years of age or~~

1 ~~ever or is a disabled person.~~

2 **(b)** ~~—(e)—~~ "Elderly person" means that term as defined in
3 section 202 of title II of the housing act of 1959, Public Law
4 86-372, 12 U.S.C. 1701q.

5 **(c)** ~~—(d)—~~ "Housing" means ~~new or rehabilitated~~ **a structure**
6 **or group of** structures with 8 or more residential units ~~in 1 or~~
7 ~~more of the structures~~ for occupancy and use by elderly **persons**
8 or disabled persons ~~—, including or, for taxes levied after~~
9 **December 31, 2002, 2 or more residential units for occupancy and**
10 **use by disabled persons. Housing includes** essential contiguous
11 land and related facilities ~~as well as~~ **and** all personal
12 property of the **nonprofit** corporation or association used in
13 connection with the facilities.

14 **(d)** ~~—(e)—~~ "Nonprofit corporation or association" means a
15 nonprofit corporation or association incorporated under the laws
16 of this state not otherwise exempt from the collection of taxes
17 under this act. ~~—, operating a housing facility or project~~
18 ~~qualified, built, or financed under section 202 of title II of~~
19 ~~the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q,~~
20 ~~section 236 of title II of the national housing act, chapter 847,~~
21 ~~82 Stat. 498, 12 U.S.C. 1715z-1, or section 811 of subtitle B of~~
22 ~~title VIII of the Cranston-Gonzalez national affordable housing~~
23 ~~act, Public Law 101-625, 42 U.S.C. 8013.~~

24 **(e)** ~~—(f)—~~ "Person with disabilities" means that term as
25 defined in section 811 of subtitle B of title VIII of the
26 Cranston-Gonzalez national affordable housing act, Public Law
27 101-625, 42 U.S.C. 8013.

1 **(f) —(g)— "Residential units" includes ~~1-bedroom~~ any of**
 2 **the following:**

3 **(i) One-bedroom** units licensed under the adult foster care
 4 facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, for
 5 persons who share dining, living, and bathroom facilities and who
 6 have a mental illness, developmental disability, or a physical
 7 ~~handicap~~ **disability**, as those terms are defined in the adult
 8 foster care facility licensing act, 1979 PA 218, MCL 400.701 to
 9 400.737, ~~or individual~~ **financed at the time of construction or**
 10 **rehabilitation under either section 202 of title II of the**
 11 **housing act of 1959, Public law 86-372, 12 U.S.C. 1701q, section**
 12 **236 of title II of the national housing act, chapter 847, 82**
 13 **Stat. 498, 12 U.S.C. 1715z-1, or under section 811 of subtitle B**
 14 **of title VIII of the Cranston-Gonzalez national affordable**
 15 **housing act, Public Law 101-625, 42 U.S.C. 8013.**

16 **(ii) Individual** self-contained dwellings in an unlicensed
 17 facility ~~—At~~ **financed at** the time of construction or
 18 rehabilitation ~~—, both self-contained dwellings and 1-bedroom~~
 19 ~~units must be financed—~~ under either section 202 of title II of
 20 the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q, or
 21 under section 811 of subtitle B of title VIII of the
 22 Cranston-Gonzalez national affordable housing act, Public Law
 23 101-625, 42 U.S.C. 8013.

24 **(iii) One-bedroom** units in a structure or group of
 25 **structures for disabled persons who share dining, living, and**
 26 **bathroom facilities and who have a mental illness, developmental**
 27 **disability, or physical disability, as those terms are defined in**

1 the adult foster care facility licensing act, 1979 PA 218, MCL
2 400.701 to 400.737.