

# HOUSE BILL No. 5149

October 9, 2003, Introduced by Reps. Koetje and Nofs 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 exempt from the collection of  
3 taxes under this act all principal residence property located in  
4 1 or more eligible distressed areas designated in the  
5 resolution. A copy of the resolution shall be filed with the  
6 state tax commission and shall not become effective unless  
7 approved as provided in subsection (3).

8       (2) Subject to subsection (3), the exemption under this  
9 section shall become effective on the December 31 immediately  
10 succeeding the adoption of the resolution by the governing body  
11 of the city, village, or township and shall continue in effect

1 for a period specified in the resolution, not to exceed 12 years,  
2 or until the principal residence's exemption is rescinded  
3 pursuant to section 7cc.

4 (3) Not more than 60 days after receipt of a copy of a  
5 resolution adopted under subsection (1), the state tax commission  
6 shall approve or disapprove the resolution. The state tax  
7 commission shall approve the resolution if the state tax  
8 commission determines that the exemption is necessary to  
9 encourage residential home ownership within an eligible  
10 distressed area designated in the resolution. The state  
11 treasurer shall advise the state tax commission as to whether  
12 exempting principal residence property in an eligible distressed  
13 area is necessary to encourage residential home ownership within  
14 the eligible distressed area.

15 (4) Principal residence property exempt under this section is  
16 subject to the specific tax levied under the principal residence  
17 alternative tax act.

18 (5) As used in this section:

19 (a) "Eligible distressed area" means that term as defined in  
20 section 11 of the state housing development authority act of  
21 1966, 1966 PA 346, MCL 125.1411.

22 (b) "Principal residence" means that term as defined in  
23 section 7dd.

24 (c) "Principal residence property" means a homestead for  
25 which an exemption has been granted pursuant to section 7cc.

26 Enacting section 1. This amendatory act does not take  
27 effect unless Senate Bill No. \_\_\_\_\_ or House Bill No. 5150

1 (request no. 03857'03 a) of the 92nd Legislature is enacted into  
2 law.