

Legislative Analysis



PROPERTY TAX EXEMPTION: FEDERALLY-QUALIFIED HEALTH CENTERS

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 784

Sponsor: Sen. Jason E. Allen
House Committee: Tax Policy
Senate Committee: Finance

Complete to 6-6-06

A SUMMARY OF SENATE BILL 784 AS PASSED BY THE SENATE 4-20-06

The bill would amend the General Property Tax Act to exempt the real and personal property of a Federally-Qualified Health Center from collection of taxes under the act, beginning December 31, 2004. Following the definition contained in the federal Social Security Act (42 USC 1396d), the bill defines "Federally-Qualified Health Center" to mean an entity that meets one of the following criteria:

- Is receiving a grant under the federal Public Health Service Act (42 USC 254b), which provides grants to health centers for serving medically underserved populations.
- Is both receiving funding from such a grant under a contract with the recipient of such a grant, and meets the requirements to receive a grant under 42 USC 254b.
- Based on the recommendation of the Health Resources and Services Administration within the Public Health Service, is determined by the Secretary for Health and Human Services to meet the requirements for receiving such a grant, including requirements of the Secretary that an entity may not be owned, controlled, or operated by another entity.
- Was treated by the Secretary, for purposes of Part B of subchapter XVIII of this chapter (Medicare) as a comprehensive Federally funded health center as of January 1, 1990;

Federally-Qualified Health Centers also include outpatient health programs or facilities operated by a tribe or tribal organization under the federal Indian Self-Determination Act (25 U.S.C. 450f et seq.) or by an urban Indian organization receiving funds under Title V of the federal Indian Health Care Improvement Act (25 U.S.C. 1651 et seq.) for the provision of primary health services.

FISCAL IMPACT:

The bill would have no significant fiscal impact on the state or local governmental units.

Legislative Analyst: Mark Wolf
Fiscal Analyst: Jim Stansell

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