

# SENATE BILL No. 65

January 25, 2005, Introduced by Senators JELINEK, ALLEN, HARDIMAN, BASHAM and GOSCHKA and referred to the Committee on Finance.

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

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

1           SEC. 7JJ. (1) THE GOVERNING BODY OF A LOCAL TAX COLLECTING  
2 UNIT MAY ADOPT A RESOLUTION TO EXEMPT FROM THE COLLECTION OF TAXES  
3 UNDER THIS ACT ELIGIBLE NONPROFIT HOUSING PROPERTY. THE CLERK OF  
4 THE LOCAL TAX COLLECTING UNIT SHALL NOTIFY IN WRITING THE ASSESSOR  
5 OF THE LOCAL TAX COLLECTING UNIT AND THE LEGISLATIVE BODY OF EACH  
6 TAXING UNIT THAT LEVIES AD VALOREM PROPERTY TAXES IN THE LOCAL TAX  
7 COLLECTING UNIT. BEFORE ACTING ON THE RESOLUTION, THE GOVERNING  
8 BODY OF THE LOCAL TAX COLLECTING UNIT SHALL AFFORD THE ASSESSOR AND  
9 A REPRESENTATIVE OF THE AFFECTED TAXING UNITS AN OPPORTUNITY FOR A

1 HEARING.

2 (2) THE EXEMPTION UNDER THIS SECTION IS EFFECTIVE ON THE  
3 DECEMBER 31 IMMEDIATELY SUCCEEDING THE ADOPTION OF THE RESOLUTION  
4 BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT OR THE  
5 ISSUANCE OF A BUILDING PERMIT FOR THE ELIGIBLE NONPROFIT HOUSING  
6 PROPERTY, WHICHEVER IS LATER. THE EXEMPTION UNDER THIS SECTION  
7 SHALL CONTINUE IN EFFECT FOR 2 YEARS OR UNTIL THERE IS A TRANSFER  
8 OF OWNERSHIP OF THE ELIGIBLE NONPROFIT HOUSING PROPERTY, WHICHEVER  
9 OCCURS FIRST. A COPY OF THE RESOLUTION SHALL BE FILED WITH THE  
10 STATE TAX COMMISSION.

11 (3) AS USED IN THIS SECTION:

12 (A) "CHARITABLE NONPROFIT HOUSING ORGANIZATION" MEANS A  
13 CHARITABLE NONPROFIT ORGANIZATION THE PRIMARY PURPOSE OF WHICH IS  
14 THE CONSTRUCTION OR RENOVATION OF RESIDENTIAL HOUSING FOR  
15 CONVEYANCE TO A LOW-INCOME PERSON.

16 (B) "ELIGIBLE NONPROFIT HOUSING PROPERTY" MEANS PROPERTY OWNED  
17 BY A CHARITABLE NONPROFIT HOUSING ORGANIZATION, THE OWNERSHIP OF  
18 WHICH THE CHARITABLE NONPROFIT HOUSING ORGANIZATION INTENDS TO  
19 TRANSFER TO A LOW-INCOME PERSON AFTER CONSTRUCTION OR RENOVATION OF  
20 THE PROPERTY IS COMPLETED.

21 (C) "FAMILY INCOME" AND "STATEWIDE MEDIAN GROSS INCOME" MEAN  
22 THOSE TERMS AS DEFINED IN SECTION 11 OF THE STATE HOUSING  
23 DEVELOPMENT AUTHORITY ACT OF 1966, 1966 PA 346, MCL 125.1411.

24 (D) "LOW-INCOME PERSON" MEANS A PERSON WITH A FAMILY INCOME OF  
25 NOT MORE THAN 60% OF THE STATEWIDE MEDIAN GROSS INCOME WHO IS  
26 ELIGIBLE TO PARTICIPATE IN THE CHARITABLE NONPROFIT HOUSING  
27 ORGANIZATION'S PROGRAM BASED ON CRITERIA ESTABLISHED BY THE

1 CHARITABLE NONPROFIT HOUSING ORGANIZATION.