

HOUSE JOINT RESOLUTION MM

January 22, 2008, Introduced by Reps. Meltzer, Rick Jones, Caul, Calley, Horn, Pavlov, Acciavatti, Knollenberg, Moore, Stahl, Meekhof, David Law, Steil, Nitz, Agema, Pearce, Opsommer, Hoogendyk, Nofs, Hansen, Elsenheimer, Huizenga and Shaffer and referred to the Committee on Tax Policy.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 3 of article IX, to limit the increase in taxable value of real property under certain circumstances.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to limit the increase in taxable value of real property under certain circumstances, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operating

1 purposes. The legislature shall provide for the determination of
2 true cash value of such property; the proportion of true cash value
3 at which such property shall be uniformly assessed, which shall
4 not, after January 1, 1966, exceed 50 percent; and for a system of
5 equalization of assessments. For taxes levied in 1995 and each year
6 thereafter, the legislature shall provide that the taxable value of
7 each parcel of property adjusted for additions and losses, shall
8 not increase each year by more than the increase in the immediately
9 preceding year in the general price level, as defined in section 33
10 of this article, or 5 percent, whichever is less until ownership of
11 the parcel of property is transferred. **HOWEVER, FOR TAXES LEVIED**
12 **AFTER 2007, THE LEGISLATURE SHALL PROVIDE THAT UPON A TRANSFER OF**
13 **OWNERSHIP OF PROPERTY, THE PROPERTY'S TAXABLE VALUE FOR THE**
14 **CALENDAR YEAR FOLLOWING THE YEAR OF THE TRANSFER IS THE PROPERTY'S**
15 **STATE EQUALIZED VALUATION FOR THE CALENDAR YEAR FOLLOWING THE**
16 **TRANSFER MULTIPLIED BY A FRACTION THE NUMERATOR OF WHICH IS THE**
17 **TOTAL TAXABLE VALUE OF ALL REAL PROPERTY SOLD IN THE LOCAL TAX**
18 **COLLECTING UNIT FOR THE CALENDAR YEAR IN WHICH THE TRANSFER**
19 **OCCURRED AND THE DENOMINATOR OF WHICH IS THE TOTAL STATE EQUALIZED**
20 **VALUATION OF ALL REAL PROPERTY SOLD IN THE LOCAL TAX COLLECTING**
21 **UNIT FOR THE CALENDAR YEAR IN WHICH THE TRANSFER OCCURRED.** When
22 ownership of the parcel of property is transferred as defined by
23 law, the parcel shall be assessed at the applicable proportion of
24 current true cash value. The legislature may provide for
25 alternative means of taxation of designated real and tangible
26 personal property in lieu of general ad valorem taxation. Every tax
27 other than the general ad valorem property tax shall be uniform

1 upon the class or classes on which it operates. A law that
2 increases the statutory limits in effect as of February 1, 1994 on
3 the maximum amount of ad valorem property taxes that may be levied
4 for school district operating purposes requires the approval of 3/4
5 of the members elected to and serving in the Senate and in the
6 House of Representatives.

7 Resolved further, That the foregoing amendment shall be
8 submitted to the people of the state at the next general election
9 in the manner provided by law.