

SENATE BILL No. 450

July 31, 2013, Introduced by Senator ANANICH and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding section 253.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 253. (1) FOR THE 2013 TAX YEAR AND EACH TAX YEAR AFTER
2 2013, A QUALIFIED TAXPAYER WHO PURCHASES A SINGLE-FAMILY HOME AS
3 HIS OR HER PRINCIPAL RESIDENCE THROUGH THE GOOD NEIGHBOR NEXT DOOR
4 SALES PROGRAM AND CLAIMS THAT PROPERTY AS EXEMPT FROM TAX UNDER
5 SECTION 7CC OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
6 211.7CC, FOR THE SAME TAX YEAR MAY CLAIM A CREDIT AGAINST THE TAX
7 IMPOSED BY THIS ACT EQUAL TO THE AMOUNT PAID FOR PROPERTY TAXES
8 COLLECTED UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
9 211.1 TO 211.155, ON THAT PROPERTY DURING THAT TAX YEAR AND EACH

1 TAX YEAR THEREAFTER THAT THE PROPERTY IS OCCUPIED AS HIS OR HER
2 PRINCIPAL RESIDENCE.

3 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR
4 EXCEEDS THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION
5 THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE
6 REFUNDED.

7 (3) IF THE QUALIFIED TAXPAYER FAILS TO OCCUPY THE SINGLE-
8 FAMILY HOME AS HIS OR HER PRINCIPAL RESIDENCE WITHIN 3 YEARS AFTER
9 THE YEAR IN WHICH THE PROPERTY WAS PURCHASED AND THE CREDIT WAS
10 INITIALLY CLAIMED UNDER THIS SECTION, THE TOTAL AMOUNT OF THE
11 CREDIT CLAIMED SHALL BE ADDED BACK TO THE TAX LIABILITY OF THE
12 TAXPAYER IN THE TAX YEAR THAT THE TAXPAYER FAILS TO OCCUPY THE
13 PROPERTY AS HIS OR HER PRINCIPAL RESIDENCE.

14 (4) AS USED IN THIS SECTION:

15 (A) "GOOD NEIGHBOR NEXT DOOR SALES PROGRAM" MEANS THE PROGRAM
16 IMPLEMENTED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
17 DEVELOPMENT TO ENCOURAGE RENEWAL OF REVITALIZATION AREAS BY
18 PROVIDING AN OPPORTUNITY FOR LAW ENFORCEMENT OFFICERS,
19 FIREFIGHTERS, EMERGENCY MEDICAL TECHNICIANS, AND TEACHERS TO
20 PURCHASE ELIGIBLE HOMES IN THESE COMMUNITIES AT A SIGNIFICANT
21 DISCOUNT.

22 (B) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED UNDER
23 SECTION 7DD OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
24 211.7DD.

25 (C) "QUALIFIED TAXPAYER" MEANS A TAXPAYER WHO IS A LAW
26 ENFORCEMENT OFFICER, A TEACHER, A FIREFIGHTER, OR AN EMERGENCY
27 MEDICAL TECHNICIAN WHO PURCHASES A SINGLE-FAMILY HOME AS HIS OR HER

- 1 PRINCIPAL RESIDENCE THROUGH THE GOOD NEIGHBOR NEXT DOOR SALES
- 2 PROGRAM.