

**SUBSTITUTE FOR
HOUSE BILL NO. 5565**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7b. (1) Real property used and owned as a homestead by a
2 disabled veteran ~~who was discharged from the armed forces of the~~
3 ~~United States under honorable conditions~~ or by an individual
4 described in subsection (2) is exempt from the collection of taxes
5 under this act. To obtain the exemption, **the property owner or his**
6 **or her legal designee shall file** an affidavit showing the facts
7 required by this section and a description of the real property
8 ~~shall be filed by the property owner or his or her legal designee~~
9 with the supervisor or other assessing officer during the period



1 beginning with the tax day ~~for each year~~ and ending at the time of
 2 the final adjournment of the local board of review. The affidavit
 3 when filed ~~shall be~~ **is** open to inspection. The county treasurer
 4 shall cancel taxes subject to collection under this act for any
 5 year in which a disabled veteran eligible for the exemption under
 6 this section has acquired title to real property exempt under this
 7 section. ~~Upon granting the exemption under this section, each~~ **All**
 8 **of the following apply to an exemption granted under this section:**

9 **(a) Each** local taxing unit shall bear the loss of its portion
 10 of the taxes upon which the exemption has been granted. **However,**
 11 **for taxes levied after December 31, 2021, each local taxing unit is**
 12 **eligible for reimbursement of its loss pursuant to section 2154 of**
 13 **the natural resources and environmental protection act, 1994 PA**
 14 **451, MCL 324.2154.**

15 **(b) The exemption is effective as to taxes levied in the tax**
 16 **year in which the exemption was first granted, and the exemption**
 17 **remains in effect, without reapplication, until the expiration of**
 18 **the tax year in which the property ceases to be eligible for the**
 19 **exemption.**

20 **(c) An owner of property that ceases to be eligible for the**
 21 **exemption as described in subdivision (b), or his or her legal**
 22 **designee, shall rescind the exemption in a form and manner**
 23 **prescribed by the state tax commission not later than 30 days after**
 24 **the property ceases to be eligible for the exemption.**

25 **(2) If a disabled veteran who is otherwise eligible for the**
 26 **exemption under this section dies, either before or after the**
 27 **exemption under this section is granted, the exemption ~~shall remain~~**
 28 **remains** available to or ~~shall continue~~ **continues** for his or her
 29 ~~unremarried~~ surviving spouse. The surviving spouse shall comply



1 with the requirements of subsection (1) and shall indicate on the
 2 affidavit that he or she is the surviving spouse of a disabled
 3 veteran entitled to the exemption under this section. The exemption
 4 shall ~~continue~~ **continues** as long as the surviving spouse ~~remains~~
 5 ~~unremarried~~ **continues to use and own as his or her homestead the**
 6 **same property that was used and owned as a homestead by the**
 7 **decedent immediately before the decedent's death.**

8 (3) As used in this section: ~~,"disabled~~

9 (a) "**Disabled** veteran" means a ~~person~~ **veteran** who is a
 10 resident of this state and who meets 1 of the following criteria:

11 (i) ~~(a)~~ Has been determined by the United States ~~department of~~
 12 ~~veterans affairs~~ **Department of Veterans Affairs** to be permanently
 13 and totally disabled as a result of military service and entitled
 14 to veterans' benefits at the 100% rate.

15 (ii) ~~(b)~~ Has a certificate from the United States ~~veterans'~~
 16 ~~administration, or its successors,~~ **Department of Veterans Affairs**
 17 certifying that he or she is receiving or has received pecuniary
 18 assistance due to disability for specially adapted housing.

19 (iii) ~~(c)~~ Has been rated by the United States ~~department of~~
 20 ~~veterans affairs~~ **Department of Veterans Affairs** as individually
 21 unemployable.

22 (b) "**Veteran**" means that term as defined in section 1 of 1965
 23 PA 190, MCL 35.61.

24 Enacting section 1. This amendatory act does not take effect
 25 unless House Bill No. 4626 of the 101st Legislature is enacted into
 26 law.

