

HOUSE BILL NO. 4443

May 06, 2025, Introduced by Reps. Woolford, Fox, Outman, Cavitt, Markkanen, Maddock, Robinson, Johnsen, Wozniak, Hoadley, Schuette, Frisbie, BeGole, Rigas, Schmaltz, Roth, St. Germaine and Mentzer and referred to Committee on Government Operations.

A bill to levy and collect a specific tax on the owners of certain property exempt from the collection of general ad valorem property taxes; to provide for the disposition of the specific tax; to provide for the powers and duties of certain state and local governmental officers and entities; and to provide penalties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "disabled veteran's
2 homestead specific tax act".

3 Sec. 2. As used in this act:

1 (a) "Commission" means the state tax commission created by
2 1927 PA 360, MCL 209.101 to 209.107.

3 (b) "Disabled veteran" means that term as defined in section
4 7b of the general property tax act, 1893 PA 206, MCL 211.7b.

5 (c) "Principal residence" means that term as defined in
6 section 7dd of the general property tax act, 1893 PA 206, MCL
7 211.7dd.

8 (d) "Surviving spouse of a disabled veteran" means an
9 individual described in section 7b(1)(b) of the general property
10 tax act, 1893 PA 206, MCL 211.7b.

11 (e) "Taxable value" means the taxable value as determined
12 under section 27a of the general property tax act, 1893 PA 206, MCL
13 211.27a.

14 Sec. 3. Real property used and owned as a homestead by a
15 disabled veteran or a surviving spouse of a disabled veteran is
16 exempt from the collection of taxes under the general property tax
17 act, 1893 PA 206, MCL 211.1 to 211.155, as provided in section 7b
18 of the general property tax act, 1893 PA 206, MCL 211.7b.

19 Sec. 4. The assessor of each local tax collecting unit in
20 which there is real property subject to the exemption described in
21 section 3 shall, on and after the effective date of this act,
22 continue to determine annually as of December 31 the value and
23 taxable value of that real property.

24 Sec. 5. (1) Beginning January 1, 2026, there is levied on real
25 property subject to the exemption described in section 3 a specific
26 tax to be known as the disabled veteran's homestead specific tax.

27 (2) Subject to the proration described in section 7b(3) and
28 (4) of the general property tax act, 1893 PA 206, MCL 211.7b, the
29 amount of the disabled veteran's homestead specific tax in each

1 year must be determined as follows:

2 (a) Multiply the number of mills that would be assessed in the
3 local tax collecting unit if the real property subject to the
4 exemption in section 3 were subject to the collection of taxes
5 under the general property tax act, 1893 PA 206, MCL 211.1 to
6 211.155, by the property's taxable value. For purposes of this
7 calculation, to the extent that the real property was that
8 individual's principal residence, the individual may claim an
9 exemption for that portion of the specific tax attributable to the
10 tax levied by a local school district for school operating purposes
11 as provided in section 1211 of the revised school code, 1976 PA
12 451, MCL 380.1211, if the individual claims or has claimed an
13 exemption for the property as provided in section 7cc of the
14 general property tax act, 1893 PA 206, MCL 211.7cc.

15 (b) Discount the result of the calculation in subdivision (a)
16 by 1 of the following, as applicable:

17 (i) 100%, if the exemption described in section 3 is based on
18 the disability of an individual who qualified as a disabled veteran
19 under section 7b(5) (a) (ii) or (iii) of the general property tax act,
20 1893 PA 206, MCL 211.7b.

21 (ii) 100%, if the exemption described in section 3 is based on
22 the disability of an individual who qualified as a disabled veteran
23 under section 7b(5) (a) (i) of the general property tax act, 1893 PA
24 206, MCL 211.7b, and the United States Department of Veterans
25 Affairs has determined that the severity rating of the individual's
26 disability is 100%.

27 (iii) The severity rating of the individual's disability,
28 expressed as a percentage by the United States Department of
29 Veterans Affairs, if the exemption described in section 3 is based

1 on the disability of an individual who qualified as a disabled
2 veteran under section 7b(5) (a) (i) of the general property tax act,
3 1893 PA 206, MCL 211.7b, and the United States Department of
4 Veterans Affairs determined that the severity rating of the
5 individual's disability is less than 100%.

6 (3) The disabled veteran's homestead specific tax is an annual
7 tax, payable at the same times, in the same installments, and to
8 the same collecting officer or officers as taxes collected under
9 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

10 (4) The collecting officer or officers shall disburse the
11 disabled veteran's homestead specific tax to and among this state
12 and cities, townships, villages, school districts, counties, or
13 other taxing units, at the same times and in the same proportions
14 as required by law for the disbursement of taxes collected under
15 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

16 (5) The collecting officer or officers shall send a copy of
17 the amount of disbursement made to each taxing unit under this
18 section to the commission on a form provided by the commission.

19 Sec. 6. Unpaid disabled veteran's homestead specific taxes are
20 subject to forfeiture, foreclosure, and sale in the same manner and
21 at the same time as taxes returned as delinquent under the general
22 property tax act, 1893 PA 206, MCL 211.1 to 211.155.

23 Enacting section 1. This act does not take effect unless House
24 Bill No. 4444 (request no. H01115'25 a) of the 103rd Legislature is
25 enacted into law.