



HOUSE BILL No. 4909

May 25, 1995, Introduced by Reps. Galloway, Hammerstrom, Gustafson, Kukuk, Gernaat, Jamian, Jellema, London, McBryde, Hill, Rhead, Porreca, Nye, Curtis, Crissman, Price, Middleton, Ryan, Geiger, Olshove, Jaye, Weeks, Bullard and Llewellyn and referred to the Committee on Tax Policy.

A bill to amend section 7m of Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

as added by Act No. 142 of the Public Acts of 1980, being section 211.7m of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7m of Act No. 206 of the Public Acts of
2 1893, as added by Act No. 142 of the Public Acts of 1980, being
3 section 211.7m of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 7m. (1) Property owned ~~by,~~ or being acquired
6 ~~pursuant to,~~ UNDER an installment purchase agreement by a
7 county, township, city, village, or school district ~~used for~~
8 ~~public purposes~~ and property owned or being acquired by an
9 agency, authority, instrumentality, nonprofit corporation,

1 commission, or other separate legal entity comprised solely of,
2 ~~or which is~~ wholly owned by, or whose members consist solely
3 of, a political subdivision, a combination of political subdivi-
4 sions, or a combination of political subdivisions and the state
5 and ~~is~~ used to carry out a public purpose itself or on behalf
6 of a political subdivision or a combination is exempt from taxa-
7 tion under this act. ~~Parks~~

8 (2) PROPERTY DESCRIBED IN THIS SECTION THAT IS LEASED AT
9 FAIR MARKET VALUE TO ANOTHER PERSON BY A COUNTY, TOWNSHIP, CITY,
10 VILLAGE, OR SCHOOL DISTRICT FOR USE AS A PARK OR FOR AGRICULTURAL
11 OPERATIONS IS EXEMPT FROM TAXATION UNDER THIS ACT IF THE GOVERN-
12 ING BODY OF THE COUNTY, TOWNSHIP, CITY, VILLAGE, OR SCHOOL DIS-
13 TRICT THAT OWNS OR IS ACQUIRING THE PROPERTY APPROVES THE LEASE
14 BY RESOLUTION. FOR PROPERTY USED AS A PARK TO BE EXEMPT UNDER
15 THIS SECTION, THE PARK shall be open to the GENERAL public.
16 ~~generally. This~~

17 (3) THE exemption ~~shall~~ UNDER THIS SECTION DOES not apply
18 to property acquired after July 19, 1966 ~~—~~ unless a deed or
19 other memorandum of conveyance is recorded in the county where
20 the property is located before December 31 of the year of acqui-
21 sition ~~—~~ or the local assessing officer is notified by regis-
22 tered mail of the acquisition before December 31 of the year of
23 acquisition.

24 (4) AS USED IN THIS SECTION:

25 (A) "AGRICULTURAL OPERATIONS" MEANS THAT TERM AS DEFINED IN
26 SECTION 34C(2)(A).

1 (B) "FAIR MARKET VALUE" MEANS THE USUAL LEASE RATE FOR
2 SUBSTANTIALLY SIMILAR PROPERTY FOR A SUBSTANTIALLY SIMILAR TIME
3 PERIOD BETWEEN PRIVATE PARTIES.