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SENIOR PROPERTY TAX FREEZE

House Bill 4448

Sponsor: Rep. Andy Neumann

Committee: Tax Policy

Complete to 8-30-00

A SUMMARY OF HOUSE BILL 4448 AS INTRODUCED 4-13-99

The bill would amend the General Property Tax to freeze the property tax assessment of the property of a person 65 years of age or older as of the effective date of the bill. When the property was sold or similarly transferred, its assessment would be adjusted to reflect its state equalized valuation or SEV, which is 50 percent of market value.

Specifically, the bill would exempt from the collection of property taxes any increases in taxable value on property owned by a person 65 or older after the bill's effective date.

[Since the enactment of the assessment cap with the passage of Proposal A in 1994, property has been taxed based on its taxable value rather than on its SEV. The assessment cap limits increases in property assessments from one year to the next to the rate of inflation or five percent, whichever is less. When property is sold, the taxable value is adjusted upwards to equal SEV in the year following the transfer.]

MCL 211.7gg

House Bill 4448 (8-30-00)

Analyst: C. Couch

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