

HOUSE BILL No. 5935

April 23, 2002, Introduced by Reps. Cassis, Gilbert, Richner, Ruth Johnson, Pappageorge, Richardville, Gosselin, Lipsey, Meyer, Middaugh and Howell and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7u (MCL 211.7u), as amended by 1994 PA 390.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7u. (1) The homestead of persons who, in the judgment
2 of the supervisor and board of review, by reason of poverty, are
3 unable to contribute toward the public charges is eligible for
4 exemption in whole or in part from taxation under this act. This
5 section does not apply to the property of a corporation.

6 (2) To be eligible for exemption under this section, a
7 person shall do all of the following on an annual basis:

8 (a) Be an owner of and occupy as a homestead the property
9 for which an exemption is requested.

10 (b) File a claim with the supervisor or board of review on a
11 form provided by the local assessing unit, accompanied by federal

1 and state income tax returns for all persons residing in the
2 homestead, including any property tax credit returns, filed in
3 the immediately preceding year or in the current year. The
4 filing of a claim under this subsection constitutes an appearance
5 before the board of review for the purpose of preserving the
6 claimant's right to appeal the decision of the board of review
7 regarding the claim.

8 (c) Produce a valid driver's license or other form of iden-
9 tification if requested by the supervisor or board of review.

10 (d) Produce a deed, land contract, or other evidence of
11 ownership of the property for which an exemption is requested if
12 required by the supervisor or board of review.

13 (e) Meet the federal poverty ~~income standards as defined~~
14 ~~and determined annually by the United States office of management~~
15 ~~and budget~~ GUIDELINES UPDATED ANNUALLY IN THE FEDERAL REGISTER
16 BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES
17 UNDER AUTHORITY OF SECTION 673 OF SUBTITLE B OF TITLE VI OF THE
18 OMNIBUS BUDGET RECONCILIATION ACT OF 1981, PUBLIC LAW 97-35, 42
19 U.S.C. 9902, or alternative guidelines adopted by the governing
20 body of the local assessing unit provided the alternative guide-
21 lines do not provide income eligibility requirements less than
22 the federal guidelines.

23 (3) The application for an exemption under this section
24 shall be filed after January 1 but before the day prior to the
25 last day of the board of review.

26 (4) The governing body of the local assessing unit shall
27 determine and make available to the public the policy and

1 guidelines the local assessing unit uses for the granting of
2 exemptions under this section. The guidelines shall include but
3 not be limited to the specific income and asset levels of the
4 claimant and total household income and assets.

5 (5) The board of review shall follow the policy and guide-
6 lines of the local assessing unit in granting or denying an
7 exemption under this section unless the board of review deter-
8 mines there are substantial and compelling reasons why there
9 should be a deviation from the policy and guidelines and the sub-
10 stantial and compelling reasons are communicated in writing to
11 the claimant.

12 (6) A person who files a claim under this section is not
13 prohibited from also appealing the assessment on the property for
14 which that claim is made before the board of review in the same
15 year.

16 (7) As used in this section, "homestead" means homestead or
17 qualified agricultural property as those terms are defined in
18 section 7dd.