

SENATE BILL No. 954

December 13, 2001, Introduced by Senator BULLARD and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7o (MCL 211.7o), as amended by 2000 PA 309.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7o. (1) Real or personal property owned and occupied
2 by a nonprofit charitable institution while occupied by that non-
3 profit charitable institution solely for the purposes for which
4 it was incorporated is exempt from the collection of taxes under
5 this act.
- 6 (2) Real or personal property owned and occupied by a chari-
7 table trust while occupied by that charitable trust solely for
8 the charitable purposes for which that charitable trust was
9 established is exempt from the collection of taxes under this
10 act.

1 (3) REAL OR PERSONAL PROPERTY OWNED AND OCCUPIED BY A
2 FRATERNAL ORGANIZATION WHILE OCCUPIED BY THAT FRATERNAL
3 ORGANIZATION SOLELY FOR THE PURPOSES FOR WHICH THAT FRATERNAL
4 ORGANIZATION WAS ESTABLISHED IS EXEMPT FROM THE COLLECTION OF
5 TAXES UNDER THIS ACT.

6 (4) ~~-(3)-~~ Real or personal property owned by a nonprofit
7 charitable institution, ~~or~~ charitable trust, OR FRATERNAL
8 ORGANIZATION that is leased, loaned, or otherwise made available
9 to another nonprofit charitable institution, ~~or~~ charitable
10 trust, OR FRATERNAL ORGANIZATION or to a nonprofit hospital or a
11 nonprofit educational institution that is occupied by that non-
12 profit charitable institution, charitable trust, FRATERNAL
13 ORGANIZATION, nonprofit hospital, or nonprofit educational insti-
14 tution solely for the purposes for which that nonprofit charita-
15 ble institution, charitable trust, FRATERNAL ORGANIZATION, non-
16 profit hospital, or nonprofit educational institution was orga-
17 nized or established and that would be exempt from taxes col-
18 lected under this act if the real or personal property were occu-
19 pied by the lessor nonprofit charitable institution, ~~or~~ chari-
20 table trust, OR FRATERNAL ORGANIZATION solely for the purposes
21 for which the lessor charitable nonprofit institution was orga-
22 nized or the charitable trust OR FRATERNAL ORGANIZATION was
23 established is exempt from the collection of taxes under this
24 act.

25 (5) ~~-(4)-~~ For taxes levied after December 31, 1997, real or
26 personal property owned by a nonprofit charitable institution,
27 ~~or~~ charitable trust, OR FRATERNAL ORGANIZATION that is leased,

1 loaned, or otherwise made available to a governmental entity is
2 exempt from the collection of taxes under this act if all of the
3 following conditions are satisfied:

4 (a) The real or personal property would be exempt from the
5 collection of taxes under this act under section 7m if the real
6 or personal property were owned or were being acquired pursuant
7 to an installment purchase agreement by the lessee governmental
8 entity.

9 (b) The real or personal property would be exempt from the
10 collection of taxes under this act if occupied by the lessor non-
11 profit charitable institution, ~~or~~ charitable trust, OR FRATER-
12 NAL ORGANIZATION solely for the purposes for which the lessor
13 charitable nonprofit institution was organized or the charitable
14 trust, OR FRATERNAL ORGANIZATION was established.

15 (6) ~~-(5)-~~ If authorized by a resolution of the local tax
16 collecting unit in which the real or personal property is
17 located, real or personal property owned by a nonprofit charita-
18 ble institution that is occupied and used by the nonprofit chari-
19 table institution's chief executive officer as his or her princi-
20 pal residence as a condition of his or her employment and that is
21 contiguous to real property that contains the nonprofit charita-
22 ble institution's principal place of business is exempt from the
23 collection of taxes under this act.

24 (7) ~~-(6)-~~ A charitable home of a fraternal ORGANIZATION or
25 secret society, or a nonprofit corporation whose stock is wholly
26 owned by a religious SOCIETY or fraternal ~~society~~ ORGANIZATION
27 that owns and operates facilities for the aged and chronically

1 ill and in which the net income from the operation of the
2 corporation does not inure to the benefit of any person other
3 than the residents, is exempt from the collection of taxes under
4 this act.

5 (8) ~~-(7)-~~ As used in this section:

6 (a) "Charitable trust" means a charitable trust registered
7 under the supervision of trustees for charitable purposes act,
8 1961 PA 101, MCL 14.251 to 14.266.

9 (B) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION WITHIN
10 THIS STATE, EXCEPT A COLLEGE FRATERNITY OR SORORITY, THAT MEETS
11 ALL OF THE FOLLOWING REQUIREMENTS:

12 (i) IS NOT ORGANIZED FOR PECUNIARY PROFIT.

13 (ii) IS A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE
14 ORGANIZATION.

15 (iii) EXISTS FOR THE COMMON PURPOSE, BROTHERHOOD, OR OTHER
16 INTERESTS OF ITS MEMBERS.

17 (C) ~~-(b)-~~ "Governmental entity" means 1 or more of the
18 following:

19 (i) The federal government or an agency, department, divi-
20 sion, bureau, board, commission, council, or authority of the
21 federal government.

22 (ii) This state or an agency, department, division, bureau,
23 board, commission, council, or authority of this state.

24 (iii) A county, city, township, village, local or intermedi-
25 ate school district, or municipal corporation.

26 (iv) A public educational institution, including, but not
27 limited to, a local or intermediate school district, a public

1 school academy, a community college or junior college established
2 pursuant to section 7 of article VIII of the state constitution
3 of 1963, or a state 4-year institution of higher education
4 located in this state.

5 (v) Any other authority or public body created under state
6 law.

7 (D) ~~-(c)-~~ "Public school academy" means a public school
8 academy organized under the revised school code, 1976 PA 451, MCL
9 380.1 to 380.1852.