

**EXPAND EXEMPTION FOR HOUSING
FOR ELDERLY/DISABLED**

House Bill 4941

Sponsor: Rep. Steve Tobocman

Committee: Tax Policy

Complete to 10-10-03

A SUMMARY OF HOUSE BILL 4941 AS INTRODUCED 7-2-03

The General Property Tax Act provides an exemption for certain housing owned and operated by a nonprofit organization or a public entity for occupancy or use solely by elderly or disabled families. The act requires the state to reimburse the local tax collecting unit for the exempt taxes. Currently, the exemption applies to a project that has eight or more residential units in the structure or group of structures making up the project for occupancy and use by elderly or disabled families. House Bill 4941 would make the exemption also apply, for taxes levied after December 31, 2002, to a structure or group of structures with two or more residential units for occupancy and use by disabled persons.

The term "residential units" would be also be amended. Currently, the term includes, among other things, one-bedroom units licensed under the Adult Foster Care Licensing Act for persons who share dining, living, and bathroom facilities and who have a mental illness, developmental disability, or a physical disability if the units were built or financed at the time of construction or rehabilitation under one of two specified federal housing laws. House Bill 4941 would include in the term "residential units" one-bedroom units in a structure or group of structures for disabled persons who are sharing the same facilities as listed above and who have the same illnesses and disabilities as listed above, without reference to the nature of the financing and without reference to licensure under the Adult Foster Care Licensing Act.

The bill also would refer only to elderly and disabled persons, not elderly and disabled families, and would delete the current definition of "elderly or disabled families".

MCL 211.7d

Analyst: M. Wolf

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