

SENATE BILL No. 180

January 29, 2009, Introduced by Senators HUNTER and CLARK-COLEMAN and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7mm.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7MM. (1) THE GOVERNING BODY OF A LOCAL TAX COLLECTING
2 UNIT MAY BY RESOLUTION EXEMPT FROM THE COLLECTION OF TAXES UNDER
3 THIS ACT THE PRINCIPAL RESIDENCE OF A PERSON WHO IS AN ELIGIBLE
4 SENIOR CITIZEN AS OF THE DATE OF THE RESOLUTION OR THE DATE THE
5 PERSON BECAME AN ELIGIBLE SENIOR CITIZEN, WHICHEVER IS LATER.

6 (2) BEFORE ACTING ON THE RESOLUTION, THE CLERK OF THE LOCAL
7 TAX COLLECTING UNIT SHALL NOTIFY IN WRITING THE ASSESSOR OF THE
8 LOCAL TAX COLLECTING UNIT AND THE LEGISLATIVE BODY OF EACH LOCAL
9 UNIT THAT LEVIES AD VALOREM PROPERTY TAXES IN THE LOCAL TAX
10 COLLECTING UNIT AND SHALL AFFORD THE ASSESSOR AND A REPRESENTATIVE
11 OF THE AFFECTED LOCAL UNITS AN OPPORTUNITY FOR A HEARING ON THE

1 PROPOSED RESOLUTION.

2 (3) THE EXEMPTION UNDER THIS SECTION IS EFFECTIVE ON THE
3 DECEMBER 31 IMMEDIATELY SUCCEEDING THE ADOPTION OF THE RESOLUTION
4 BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT. THE
5 EXEMPTION SHALL CONTINUE IN EFFECT UNTIL THE PRINCIPAL RESIDENCE IS
6 TRANSFERRED OR FOR A PERIOD SPECIFIED IN THE RESOLUTION, WHICHEVER
7 IS SOONER. A COPY OF THE RESOLUTION SHALL BE FILED WITH THE STATE
8 TAX COMMISSION.

9 (4) UPON THE TRANSFER OF OWNERSHIP OF PROPERTY EXEMPT UNDER
10 SUBSECTION (1), THE TAXABLE VALUE OF THE PROPERTY SHALL BE ADJUSTED
11 PURSUANT TO SECTION 27A(3).

12 (5) THE DEATH OF A SPOUSE DOES NOT TERMINATE THE EXEMPTION
13 UNDER THIS SECTION UNLESS THE SURVIVING SPOUSE REMARRIES.

14 (6) AS USED IN THIS SECTION:

15 (A) "ELIGIBLE SENIOR CITIZEN" MEANS A PERSON WHO MEETS ALL OF
16 THE FOLLOWING CONDITIONS:

17 (i) IS 65 YEARS OF AGE OR OLDER.

18 (ii) HIS OR HER ONLY SOURCE OF TAXABLE INCOME IS SOCIAL
19 SECURITY BENEFITS AS DEFINED IN SECTION 30 OF THE INCOME TAX ACT OF
20 1967, 1967 PA 281, MCL 206.30.

21 (B) "LOCAL UNIT" MEANS A COUNTY, TOWNSHIP, CITY, OR VILLAGE.

22 (C) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED IN
23 SECTION 7DD.

24 (D) "TAXES" MEANS TAXES, AND SPECIAL ASSESSMENTS IMPOSED BY A
25 LOCAL UNIT IF THE SPECIAL ASSESSMENT DISTRICT IS ALL THE TERRITORY
26 OF THE LOCAL UNIT.

27 (E) "TRANSFER OF OWNERSHIP" MEANS THAT TERM AS DEFINED IN

1 SECTION 27A.