

SUBSTITUTE FOR
SENATE BILL NO. 6

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7b. (1) ~~Real~~**RESIDENTIAL REAL** property **OR AGRICULTURAL**
2 **REAL PROPERTY** used and owned as a homestead by a disabled veteran
3 who was discharged from the armed forces of the United States under
4 honorable conditions or by an individual described in subsection
5 (2) **OR (3)** is exempt from the collection of taxes under this act.
6 To obtain the exemption, **THE PROPERTY OWNER OR HIS OR HER LEGAL**
7 **DESIGNEE SHALL ANNUALLY FILE** an affidavit **ON A FORM PRESCRIBED BY**
8 **THE STATE TAX COMMISSION** showing the facts required by this section
9 and a description of the real property ~~shall be filed by the~~
10 ~~property owner or his or her legal designee with the supervisor or~~
11 ~~other assessing officer~~**LOCAL TAX COLLECTING UNIT IN WHICH THE**

1 **PROPERTY IS LOCATED** during the period beginning with ~~the tax day~~
 2 ~~for each year~~ **JANUARY 1** and ending at ~~the time of the final~~
 3 ~~adjournment of the local board of review.~~ **ON DECEMBER 1 OF THE TAX**
 4 **YEAR FOR WHICH THE EXEMPTION IS CLAIMED.** The affidavit when filed
 5 shall be open to inspection. ~~The county~~ **AFTER THE AFFIDAVIT IS**
 6 **FILED, THE BOARD OF REVIEW SHALL DETERMINE WHETHER THE REQUIREMENTS**
 7 **OF THIS SECTION ARE MET. IF THE REQUIREMENTS ARE MET, THE BOARD OF**
 8 **REVIEW SHALL GRANT THE EXEMPTION AND THE** treasurer **FOR EACH LOCAL**
 9 **TAX COLLECTING UNIT shall cancel FOR THE CURRENT TAX YEAR ANY** taxes
 10 subject to collection under this act ~~for any year in which a~~
 11 ~~disabled veteran eligible for the exemption under this section has~~
 12 ~~acquired title to real property exempt under this section. Upon~~
 13 ~~granting the exemption under this section, each~~ **THAT WERE PAID OR**
 14 **OTHERWISE ARE OR WOULD HAVE BECOME DUE AND PAYABLE FROM THE**
 15 **INDIVIDUAL ELIGIBLE FOR THE EXEMPTION. HOWEVER, IF, DURING THE**
 16 **CALENDAR YEAR, THAT INDIVIDUAL SOLD, PURCHASED, INHERITED, OR**
 17 **ACQUIRED BY GIFT THE HOMESTEAD FOR WHICH THE EXEMPTION IS CLAIMED,**
 18 **THE CANCELLATION OF TAXES SHALL BE IN PROPORTION TO THE NUMBER OF**
 19 **MONTHS DURING THE CALENDAR YEAR THAT THE INDIVIDUAL OWNED AND**
 20 **OCCUPIED THE HOMESTEAD. THE EXEMPTION PROVIDED UNDER THIS SECTION**
 21 **APPLIES ONLY TO TAXES COLLECTED UNDER THIS ACT AND NOT TO ANY**
 22 **SPECIAL ASSESSMENT UNLESS THE ACT PROVIDING FOR THE SPECIAL**
 23 **ASSESSMENT PROVIDES OTHERWISE. EACH** local taxing unit shall bear
 24 the loss of its portion of the taxes upon which ~~the~~ **AN** exemption
 25 **UNDER THIS SECTION** has been granted.

26 (2) If a disabled veteran who is otherwise eligible for the
 27 exemption under this section dies, either before or after the

1 exemption under this section is granted, the exemption ~~shall remain~~
2 **REMAINS** available to or ~~shall continue~~ **CONTINUES** for his or her
3 unremarried surviving spouse. The **UNREMARIED** surviving spouse
4 shall comply with the requirements of subsection (1) and shall
5 indicate on the affidavit that he or she is the **UNREMARIED**
6 surviving spouse of a disabled veteran **WHO WAS A LEGAL RESIDENT OF**
7 **THIS STATE** entitled to the exemption under this section **IMMEDIATELY**
8 **BEFORE HIS OR HER DEATH**. The exemption ~~shall continue~~ **CONTINUES** as
9 long as the **UNREMARIED** surviving spouse remains unremarried.

10 (3) **RESIDENTIAL REAL PROPERTY OR AGRICULTURAL REAL PROPERTY**
11 **USED AND OWNED AS A HOMESTEAD BY THE UNREMARIED SURVIVING SPOUSE**
12 **OF A DECEASED MICHIGAN VETERAN WHO DIED FROM SERVICE-CONNECTED**
13 **CAUSES WHILE ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED**
14 **STATES IS EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT. THE**
15 **UNREMMARRIED SURVIVING SPOUSE SHALL COMPLY WITH THE REQUIREMENTS OF**
16 **SUBSECTION (1) AND SHALL INDICATE ON THE AFFIDAVIT THAT HE OR SHE**
17 **IS THE UNREMARIED SURVIVING SPOUSE OF A DECEASED MICHIGAN VETERAN**
18 **WHO DIED FROM SERVICE-CONNECTED CAUSES WHILE ON ACTIVE DUTY IN THE**
19 **ARMED FORCES OF THE UNITED STATES. THE EXEMPTION CONTINUES AS LONG**
20 **AS THE UNREMARIED SURVIVING SPOUSE REMAINS UNREMARIED.**

21 (4) ~~(3)~~ As used in this section: ~~,"disabled~~

22 (A) **"AGRICULTURAL REAL PROPERTY" MEANS THAT TERM AS DEFINED IN**
23 **SECTION 34C.**

24 (B) **"ARMED FORCES OF THE UNITED STATES" MEANS THE ARMED FORCES**
25 **OF THE UNITED STATES AND THEIR RESERVE COMPONENTS.**

26 (C) **"DECEASED MICHIGAN VETERAN" MEANS AN INDIVIDUAL WHO,**
27 **IMMEDIATELY BEFORE DEATH, SERVED IN THE ARMED FORCES OF THE UNITED**

1 STATES AND WAS A LEGAL RESIDENT OF THIS STATE.

2 (D) "DISABLED veteran" means a person who is a LEGAL resident
3 of this state and who meets 1 of the following criteria:

4 (i) ~~(a)~~ Has been determined by the United States ~~department of~~
5 ~~veterans affairs~~ **DEPARTMENT OF VETERANS AFFAIRS** to be permanently
6 and totally disabled as a result of military service and entitled
7 to veterans' benefits at the 100% rate.

8 (ii) ~~(b)~~ Has a certificate from the United States ~~veterans~~
9 ~~administration~~, **VETERANS ADMINISTRATION**, or its successors,
10 certifying that he or she is receiving or has received pecuniary
11 assistance due to disability for specially adapted housing.

12 (iii) ~~(c)~~ Has been rated by the United States ~~department of~~
13 ~~veterans affairs~~ **DEPARTMENT OF VETERANS AFFAIRS** as individually
14 unemployable.

15 (E) "HOMESTEAD" MEANS THE 1 PLACE OWNED AND OCCUPIED BY A
16 LEGAL RESIDENT OF THIS STATE AS HIS OR HER TRUE, FIXED, AND
17 PERMANENT HOME TO WHICH, WHENEVER ABSENT, HE OR SHE INTENDS TO
18 RETURN AND THAT SHALL CONTINUE AS A PRIMARY RESIDENCE UNTIL ANOTHER
19 PRIMARY RESIDENCE IS ESTABLISHED. HOMESTEAD INCLUDES AN OWNER'S
20 DWELLING, ALL OF AN OWNER'S PROPERTY CLASSIFIED AS RESIDENTIAL REAL
21 PROPERTY OR AGRICULTURAL REAL PROPERTY THAT IS ADJOINING OR
22 CONTIGUOUS TO THE DWELLING AND IS SUBJECT TO AD VALOREM TAXES, AND
23 ALL BUILDINGS ON THAT PROPERTY SUBJECT TO AD VALOREM TAXES. FOR
24 PURPOSES OF THIS SUBDIVISION, PROPERTY PREVIOUSLY OCCUPIED AS A
25 HOMESTEAD BY AN INDIVIDUAL WHO NOW RESIDES IN A NURSING HOME OR
26 ASSISTED LIVING FACILITY REMAINS THAT INDIVIDUAL'S HOMESTEAD IF HE
27 OR SHE MANIFESTS AN INTENT TO RETURN TO THAT PROPERTY BY SATISFYING

1 ALL OF THE FOLLOWING CONDITIONS:

2 (i) HE OR SHE CONTINUES TO OWN THAT PROPERTY WHILE RESIDING IN
3 THE NURSING HOME OR ASSISTED LIVING FACILITY.

4 (ii) HE OR SHE HAS NOT ESTABLISHED A NEW HOMESTEAD.

5 (iii) HE OR SHE MAINTAINS OR PROVIDES FOR THE MAINTENANCE OF
6 THAT PROPERTY WHILE RESIDING IN THE NURSING HOME OR ASSISTED LIVING
7 FACILITY.

8 (iv) THAT PROPERTY IS NOT OCCUPIED, IS NOT LEASED, AND IS NOT
9 USED FOR ANY BUSINESS OR COMMERCIAL PURPOSE.

10 (F) "OWN" MEANS ANY OF THE FOLLOWING:

11 (i) SOLE OWNERSHIP BY A DISABLED VETERAN.

12 (ii) JOINT OWNERSHIP OR CO-OWNERSHIP BY A DISABLED VETERAN AND
13 1 OR MORE OF THE FOLLOWING INDIVIDUALS:

14 (A) HIS OR HER SPOUSE, INCLUDING AS TENANTS BY THE ENTIRETY.

15 (B) HIS OR HER SON, DAUGHTER, ADOPTED SON, OR ADOPTED
16 DAUGHTER.

17 (iii) SOLE OWNERSHIP BY AN UNREMARIED SURVIVING SPOUSE OF A
18 DECEASED DISABLED VETERAN OR A DECEASED MICHIGAN VETERAN WHO DIED
19 FROM SERVICE-CONNECTED CAUSES WHILE ON ACTIVE DUTY IN THE ARMED
20 FORCES OF THE UNITED STATES.

21 (G) "RESIDENTIAL REAL PROPERTY" MEANS THAT TERM AS DEFINED IN
22 SECTION 34C.

23 (H) "UNREMARIED SURVIVING SPOUSE" MEANS EITHER OF THE
24 FOLLOWING:

25 (i) AN INDIVIDUAL WHO WAS MARRIED TO A DISABLED VETERAN WHEN
26 THAT VETERAN DIED AND WHO, SINCE THE TIME OF THAT SPOUSE'S DEATH,
27 HAS NEVER BEEN REMARRIED.

1 (ii) AN INDIVIDUAL WHO WAS MARRIED TO A DECEASED MICHIGAN
2 VETERAN WHEN THAT VETERAN DIED FROM SERVICE-CONNECTED CAUSES WHILE
3 ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES AND WHO,
4 SINCE THE TIME OF THAT SPOUSE'S DEATH, HAS NEVER BEEN REMARRIED.