



# HOUSE BILL No. 5358

February 22 1994 Introduced by Reps Goschka Voorhees and Whyman and referred to the Committee on Taxation

A bill to amend section 4 of Act No 331 of the Public Acts of 1993, entitled

"State education tax act,"

being section 211 904 of the Michigan Compiled Laws

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 4 of Act No 331 of the Public Acts of  
2 1993, being section 211 904 of the Michigan Compiled Laws, is  
3 amended to read as follows

4 Sec 4 (1) If the sales tax is levied at a rate of 4%  
5 under the sales tax act, the education finance authority is  
6 created

7 (2) The education finance authority is a public corporate  
8 body and is an authority under section 6 of article IX of the  
9 state constitution of 1963

1 (3) The authority has all the powers necessary to carry out  
2 the purposes of this act, including, but not limited to, the  
3 following

4 (a) To levy the tax described in section 5

5 (b) To distribute the proceeds of the tax

6 (4) The governing body of the authority shall be the educa-  
7 tion finance authority board consisting of the state treasurer,  
8 the auditor general, and the superintendent of public  
9 instruction The board has all the powers necessary to carry out  
10 the purposes of this act, including, but not limited to, the  
11 following

12 (a) To assure the collection of the tax

13 (b) To facilitate the receipt by the authority, and distri-  
14 bution of the proceeds, of the tax

15 (5) Beginning in 1994, the authority shall levy an education  
16 finance authority tax on all property not exempt under subsection  
17 (6), not exempt by law from ad valorem property taxes, or not  
18 subject to a tax levied under Act No 282 of the Public Acts of  
19 1905, being sections 207 1 to 207 21 of the Michigan Compiled  
20 Laws, levied at a rate of 12 mills

21 (6) Property that is used as a homestead by the owner of the  
22 property is exempt from the tax under subsection (5) as long as  
23 the property is used as a homestead by the owner if the owner of  
24 the property claims an exemption as provided in this section

25 (7) ~~The~~ EXCEPT AS PROVIDED FOR 1994, THE owner of property  
26 may claim an exemption under this section by filing before March  
27 1 every 2 years an affidavit with the local tax collecting unit

1 in which the property is located stating that the property is  
2 owned and occupied as a homestead by the owner of the property  
3 The affidavit shall be on a form prescribed and provided by the  
4 department of treasury IN 1994 THE MARCH 1 FILING DEADLINE IS  
5 EXTENDED TO APRIL 4, 1994 FOR HAND DELIVERY OR FOR THOSE AFFIDA-  
6 VITS SENT BY MAIL, A POSTMARK OF APRIL 2, 1994 IS REQUIRED

7 (8) Upon receipt of the notice of certification, the local  
8 tax collecting unit shall exempt the property from collection of  
9 the tax under this act for the period of exemption under this act  
10 or until the property is transferred or the owner rescinds the  
11 claim for exemption on a form prescribed and provided by the  
12 department of treasury The owner of the property shall rescind  
13 the claim for exemption on a form prescribed and provided by the  
14 department of treasury when the property is no longer used as a  
15 homestead by the owner

16 (9) The local tax collecting unit shall forward all affida-  
17 vits to the department of treasury The department of treasury  
18 shall determine if the property is the homestead of the owner  
19 If the department of treasury determines that the property is not  
20 the homestead of the owner, the department shall send a notice to  
21 the local tax collecting unit and to the owner of the property  
22 The local tax collecting unit shall then place the property back  
23 on the tax roll for the collection of the tax The notice to the  
24 owner shall include a statement that the determination was made  
25 that the property was not the homestead of the owner and that the  
26 owner may appeal the determination directly to the tax tribunal,

1 without an appeal to the board of review within 35 days after  
2 the date of the notice

3 (10) If the homestead is part of a unit in a multiple-unit  
4 dwelling or a dwelling unit in a multiple-unit structure, the  
5 owner shall claim a portion of the total state equalized valua-  
6 tion that is to be considered the homestead and the department of  
7 treasury shall prescribe the manner in which the calculation  
8 shall be made

9 (11) If a person claims an exemption to which the person is  
10 not entitled, the department of treasury shall assess the tax  
11 with penalties and interest according to the provisions of ~~the~~  
12 ~~revenue act,~~ Act No 122 of the Public Acts of 1941, being  
13 sections 205 1 to 205 31 of the Michigan Compiled Laws