



HOUSE BILL No. 5470

April 19 1994 Introduced by Reps Middleton Hill Bullard McNutt Horton, Rocca and Stille and referred to the Committee on Taxation

A bill to amend Act No 206 of the Public Acts of 1893,
entitled as amended

The general property tax act,
as amended, being sections 211 1 to 211 157 of the Michigan
Compiled Laws, by adding section 7cc

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Act No 206 of the Public Acts of 1893, as
2 amended being sections 211 1 to 211 157 of the Michigan Compiled
3 Laws is amended by adding section 7cc to read as follows

4 SEC 7CC (1) PROPERTY THAT IS USED AS A HOMESTEAD BY AN
5 OWNER OF THE PROPERTY IS EXEMPT FROM THE TAX UNDER
6 SECTION 1211(1) OF THE SCHOOL CODE OF 1976, ACT NO 451 OF THE
7 PUBLIC ACTS OF 1976, BEING SECTION 380 1211 OF THE MICHIGAN
8 COMPILED LAWS AS LONG AS THE PROPERTY IS USED AS A HOMESTEAD BY

1 THAT OWNER IF THAT OWNER OF THE PROPERTY CLAIMS AN EXEMPTION AS
2 PROVIDED IN THIS SECTION

3 (2) AN OWNER OF PROPERTY MAY CLAIM AN EXEMPTION UNDER THIS
4 SECTION BY FILING BEFORE MAY 1 FOR SUMMER PROPERTY TAX LEVIES OR
5 OCTOBER 1 FOR THE DECEMBER TAX LEVY AN AFFIDAVIT WITH THE LOCAL
6 TAX COLLECTING UNIT IN WHICH THE PROPERTY IS LOCATED STATING THAT
7 THE PROPERTY IS OWNED AND OCCUPIED AS A HOMESTEAD BY THAT OWNER
8 OF THE PROPERTY ON THE DATE THAT THE AFFIDAVIT IS SIGNED THE
9 AFFIDAVIT SHALL BE ON A FORM PRESCRIBED BY THE DEPARTMENT OF
10 TREASURY THE FORM SHALL BE IN TRIPLICATE, OF WHICH 1 COPY SHALL
11 BE RETAINED BY THE OWNER, 1 COPY SHALL BE RETAINED BY THE LOCAL
12 TAX COLLECTING UNIT AND 1 COPY SHALL BE FORWARDED TO THE DEPART-
13 MENT OF TREASURY PURSUANT TO SUBSECTION (5) THE AFFIDAVIT SHALL
14 REQUIRE THE OWNER CLAIMING THE EXEMPTION TO INDICATE IF THAT
15 OWNER CURRENTLY CLAIMS AN EXEMPTION ELSEWHERE IN THIS STATE AND
16 IF SO INCLUDE ON THE AFFIDAVIT THE CITY OR TOWNSHIP COUNTY
17 STREET ADDRESS AND PARCEL IDENTIFICATION NUMBER IF KNOWN THE
18 INFORMATION INCLUDED ON THE AFFIDAVIT IS SUBJECT TO THE SAME CON-
19 FIDENTIALITY REQUIREMENTS AT THE LOCAL TAX COLLECTING UNIT AND AT
20 THE DEPARTMENT OF TREASURY AS PROVIDED FOR UNDER SECTION 28(1)(F)
21 OF ACT NO 122 OF THE PUBLIC ACTS OF 1941, BEING SECTION 205 28
22 OF THE MICHIGAN COMPILED LAWS

23 (3) UPON RECEIPT OF AN AFFIDAVIT UNDER SUBSECTION (2), THE
24 LOCAL TAX COLLECTING UNIT SHALL REMOVE THE PROPERTY FROM THE TAX
25 ROLL AND EXEMPT THE PROPERTY FROM COLLECTION OF THE TAX AS PRO-
26 VIDED IN SUBSECTION (1) UNTIL THE PROPERTY IS TRANSFERRED OR THE
27 OWNER RESCINDS THE CLAIM FOR EXEMPTION AN OWNER THAT CLAIMED

1 THE EXEMPTION OF THE PROPERTY SHALL RESCIND THE CLAIM FOR
2 EXEMPTION BY FILING WITH THE LOCAL TAX COLLECTING UNIT A FORM
3 PRESCRIBED BY THE DEPARTMENT OF TREASURY WHEN THAT PROPERTY IS NO
4 LONGER USED AS A HOMESTEAD BY THAT OWNER UNLESS THAT OWNER FILES
5 A NEW AFFIDAVIT UNDER SUBSECTION (6)

6 (4) NOTWITHSTANDING SUBSECTIONS (2) AND (3), IF A PERSON
7 BUYS PROPERTY THAT IS AN EXISTING HOME OR A NEWLY CONSTRUCTED
8 HOME FOR USE AS A HOMESTEAD, THAT OWNER MAY FILE AN AFFIDAVIT
9 IMMEDIATELY AFTER TAKING OWNERSHIP AND POSSESSION OF THE PROPERTY
10 AND THE LOCAL TAX COLLECTING UNIT SHALL REMOVE THE PROPERTY FROM
11 THE TAX ROLL WHEN THE TITLE CHANGE IS MADE ON THE RECORDS OF THE
12 TAX COLLECTING UNIT

13 (5) THE LOCAL TAX COLLECTING UNIT SHALL FORWARD ALL AFFIDA-
14 VITS TO THE DEPARTMENT OF TREASURY ON THE LAST BUSINESS DAY OF
15 EACH MONTH THE DEPARTMENT OF TREASURY SHALL DETERMINE IF THE
16 PROPERTY IS THE HOMESTEAD OF THE OWNER THAT CLAIMED THE
17 EXEMPTION IF THE DEPARTMENT OF TREASURY DETERMINES THAT THE
18 PROPERTY IS NOT THE HOMESTEAD OF THAT OWNER, THE DEPARTMENT SHALL
19 SEND A NOTICE TO THE LOCAL TAX COLLECTING UNIT AND TO THAT OWNER
20 OF THE PROPERTY THE LOCAL TAX COLLECTING UNIT SHALL THEN PLACE
21 THE PROPERTY BACK ON THE TAX ROLL FOR THE COLLECTION OF THE TAX
22 THE NOTICE TO THE OWNER SHALL INCLUDE A STATEMENT THAT THE DETER-
23 MINATION WAS MADE THAT THE PROPERTY WAS NOT THE HOMESTEAD OF THE
24 OWNER THAT CLAIMED THE EXEMPTION AND THAT THE OWNER MAY APPEAL
25 THE DETERMINATION DIRECTLY TO THE TAX TRIBUNAL WITHOUT AN APPEAL
26 TO THE BOARD OF REVIEW WITHIN 35 DAYS AFTER THE DATE OF THE
27 NOTICE

1 (6) IF AN OWNER INDICATES THAT HE OR SHE CURRENTLY CLAIMS AN
2 EXEMPTION FOR PROPERTY OTHER THAN THE ONE APPLIED FOR IN THE
3 AFFIDAVIT RECEIVED BY THE DEPARTMENT OF TREASURY THE DEPARTMENT
4 OF TREASURY SHALL NOTIFY THE ASSESSOR OF THE LOCAL TAX COLLECTING
5 UNIT IN WHICH THE OTHER PROPERTY IS LOCATED THAT THE PREVIOUS
6 EXEMPTION IS RESCINDED AUTOMATICALLY BY THE LATER AFFIDAVIT
7 UPON RECEIPT OF NOTICE THAT AN EXEMPTION IS RESCINDED UNDER THIS
8 SUBSECTION OR SUBSECTION (3) OR (9) THE ASSESSOR OF THE LOCAL
9 TAX COLLECTING UNIT SHALL PLACE THE PROPERTY BACK ON THE TAX
10 ROLL THE NEXT SUCCEEDING TAX BILL SHALL BE PRORATED PROSPEC-
11 TIVELY BASED ON THE NUMBER OF DAYS THE PROPERTY WAS TAXED AT THE
12 HOMESTEAD RATE AND THE NUMBER OF DAYS AT THE NONHOMESTEAD RATE

13 (7) IF AN AFFIDAVIT IS RECEIVED BY THE LOCAL TAX COLLECTING
14 UNIT TOO LATE FOR THE NEXT TAX BILL TO BE ADJUSTED THE IMMEDI-
15 ATELY FOLLOWING TAX BILL SHALL BE ADJUSTED TO REFLECT THE HOME-
16 STEAD RATE

17 (8) IF THE HOMESTEAD IS PART OF A UNIT IN A MULTIPLE-UNIT
18 DWELLING OR A DWELLING UNIT IN A MULTIPLE-UNIT STRUCTURE AN
19 OWNER SHALL CLAIM A PORTION OF THE TOTAL STATE EQUALIZED VALUA-
20 TION THAT IS TO BE CONSIDERED THE HOMESTEAD OF THE OWNER THAT
21 CLAIMED THE EXEMPTION AND THE DEPARTMENT OF TREASURY SHALL PRE-
22 SCRIBE THE MANNER IN WHICH THE CALCULATION SHALL BE MADE

23 (9) WHEN THE COUNTY REGISTER OF DEEDS RECORDS A TRANSFER OF
24 OWNERSHIP OF A PROPERTY, HE OR SHE SHALL NOTIFY THE LOCAL TAX
25 COLLECTING UNIT IN WHICH THE PROPERTY IS LOCATED OF THE TRANSFER
26 AND THAT THE EXEMPTION IS AUTOMATICALLY RESCINDED

1 (10) THE DEPARTMENT OF TREASURY SHALL MAKE AVAILABLE THE
2 AFFIDAVIT FORMS AND THE FORMS TO RESCIND AN EXEMPTION WHICH MAY
3 BE ON THE SAME FORM, TO ALL CITY AND TOWNSHIP ASSESSORS COUNTY
4 EQUALIZATION OFFICERS, AND COUNTY REGISTERS OF DEEDS

5 (11) AS USED IN THIS SECTION, OWNER' MEANS AN INDIVIDUAL OR
6 A PRINCIPAL BENEFICIARY OF AN ESTATE TRUST OR LIFE LEASE