



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4407 (as passed by the House)
Sponsor: Representative Terry Geiger
House Committee: Tax Policy
Senate Committee: Finance

Date Completed: 11-18-96

CONTENT

The bill would amend the General Property Tax Act to exempt from personal property tax water conditioning systems used for a residential dwelling.

Under the Act, personal property owned and used by a householder is exempt from taxation. The personal property tax applied to water conditioning systems, then, is levied against companies that rent or lease the systems to homeowners.

MCL 211.9

Legislative Analyst: G. Towne

FISCAL IMPACT

Based on information from the Michigan Water Quality Association and the Michigan Townships Association, it is estimated this bill would reduce personal property taxes by less than \$150,000. Approximately 12% of this loss would be a reduction in the State education property tax and the remaining loss would be realized by schools and local governments.

Fiscal Analyst: J. Wortley

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.