

HOUSE BILL No. 6045

September 15, 1998, Introduced by Reps. Voorhees, Sikkema, Jellema, Richner, Scranton and Birkholz and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7d (MCL 211.7d), as amended by 1987 PA 200.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7d. (1) Housing owned and operated by a nonprofit cor-
2 poration or association or by ~~the~~ THIS state, a political sub-
3 division of ~~the~~ THIS state, or an instrumentality of ~~the~~ THIS
4 state, for occupancy or use solely by elderly or ~~handicapped~~
5 DISABLED families is exempt from ~~all general property taxation~~
6 ~~by the state, city, village, or county, or by a public body or~~
7 ~~agency~~ THE COLLECTION OF TAXES UNDER THIS ACT. For purposes of
8 this section, housing ~~shall be~~ IS considered occupied solely by
9 elderly or ~~handicapped~~ DISABLED families even if 1 or more of
10 the units is occupied by service personnel, such as a custodian
11 or nurse.

1 ~~(2) As used in this section, "elderly or handicapped~~
2 ~~families" means families consisting of 2 or more persons if the~~
3 ~~head of the household, or his or her spouse, is 62 years of age~~
4 ~~or over or is handicapped, and includes a single person who is 62~~
5 ~~years of age or over or is handicapped.~~

6 ~~(3) As used in this section, "handicapped person" means that~~
7 ~~term as defined in section 202 of the national housing act of~~
8 ~~1959, as amended, 12 U.S.C. 1701q.~~

9 ~~(4) "Housing" means new or rehabilitated structures with 8~~
10 ~~or more residential units in 1 or more of the structures for~~
11 ~~occupancy and use by elderly persons, including essential conti-~~
12 ~~guous land and related facilities as well as all personal prop-~~
13 ~~erty of the corporation or association used in connection with~~
14 ~~the facilities. As used in this subsection, "residential units"~~
15 ~~include individual self-contained dwellings, or 1-bedroom units~~
16 ~~in a facility for persons with a mental illness, a developmental~~
17 ~~disability, or a physical handicap as those terms are defined in~~
18 ~~the adult foster care facility licensing act, Act No. 218 of the~~
19 ~~Public Acts of 1979, being sections 400.701 to 400.737 of the~~
20 ~~Michigan Compiled Laws, that share dining, living, or bathroom~~
21 ~~facilities, that is financed at the time of construction or reha-~~
22 ~~bilitation under section 202 of title II of the housing act of~~
23 ~~1959, 12 U.S.C. 1701q, and that is licensed as an adult foster~~
24 ~~care facility under the adult foster care facility licensing act,~~
25 ~~Act No. 218 of the Public Acts of 1979.~~

26 ~~(5) "Nonprofit corporation or association" means a nonprofit~~
27 ~~corporation or association incorporated under the laws of this~~

1 ~~state not otherwise exempt from general ad valorem real and~~
 2 ~~personal property taxes operating a housing facility or project~~
 3 ~~qualified, built, or financed under section 202 of the national~~
 4 ~~housing act of 1959, as amended, 12 U.S.C. 1701q or section 236~~
 5 ~~of the national housing act as added by Public Law 90-448, 12~~
 6 ~~U.S.C. 1715z-1.~~

7 (2) ~~(6) When~~ IF a ~~tax roll is placed in the hands of a~~
 8 ~~city, county, village, or township treasurer~~ LOCAL TAX COLLECT-
 9 ING UNIT HAS A TAX ROLL for collection, and ~~there are~~ THE TAX
 10 ROLL CONTAINS taxes assessed ~~on that roll~~ against property
 11 ~~concerning~~ FOR which AN exemption is claimed under this sec-
 12 tion, the ~~treasurer~~ APPROPRIATE COLLECTING OFFICER shall pre-
 13 pare a statement on a form prescribed by the department of man-
 14 agement and budget ~~showing all descriptions~~ DESCRIBING THE
 15 PROPERTY for which ~~exemptions have been~~ AN EXEMPTION IS claimed
 16 under this section, the names and addresses of the ~~corporations~~
 17 ~~or associations~~ CORPORATION OR ASSOCIATION entitled to the
 18 ~~exemptions~~ EXEMPTION, the total amount of taxes ~~so~~ exempted,
 19 and the amount of taxes assessed against the ~~descriptions~~
 20 PROPERTY. The ~~city, county, village, or township treasurer~~
 21 LOCAL TAX COLLECTING UNIT shall forward the statement to the
 22 department of management and budget. ~~, upon~~ UPON verification
 23 of ~~which~~ THE STATEMENT, the state treasurer shall draw his or
 24 her warrant upon the state treasury for the total amount of tax
 25 revenues lost by ~~a~~ THE local ~~taxing~~ TAX COLLECTING unit as a
 26 result of the ~~nonprofit housing~~ exemption ~~allowed by this act~~
 27 UNDER THIS SECTION as shown by the statement. ~~The~~ AFTER

1 EXAMINING THE STATEMENT, THE state treasurer ~~after examination~~
2 ~~of the statement~~ shall forward the warrants to the ~~city,~~
3 ~~county, village, or township~~ treasurer OF THE LOCAL TAX COLLECT-
4 ING UNIT.

5 (3) ~~(8)~~ The ~~budget~~ director OF THE DEPARTMENT OF MANAGE-
6 MENT AND BUDGET shall estimate ~~, as near as may be,~~ the amount
7 ~~of money~~ necessary to meet the expense of administering the
8 provisions of this section ~~under this act during~~ IN each year,
9 and the ~~expense shall be met by a specific appropriation~~
10 ~~included in the budget~~ LEGISLATURE SHALL APPROPRIATE AN AMOUNT
11 SUFFICIENT TO MEET THAT EXPENSE IN EACH YEAR.

12 (4) AS USED IN THIS SECTION:

13 (A) "DISABLED PERSON" MEANS A PERSON WITH DISABILITIES.

14 (B) "ELDERLY OR DISABLED FAMILIES" MEANS FAMILIES CONSISTING
15 OF 2 OR MORE PERSONS IF THE HEAD OF THE HOUSEHOLD, OR HIS OR HER
16 SPOUSE, IS 62 YEARS OF AGE OR OVER OR IS A DISABLED PERSON, AND
17 INCLUDES A SINGLE PERSON WHO IS 62 YEARS OF AGE OR OVER OR IS A
18 DISABLED PERSON.

19 (C) "ELDERLY PERSON" MEANS THAT TERM AS DEFINED IN SECTION
20 202 OF TITLE II OF THE HOUSING ACT OF 1959, PUBLIC LAW 86-372, 12
21 U.S.C. 1701q.

22 (D) "HOUSING" MEANS NEW OR REHABILITATED STRUCTURES WITH 8
23 OR MORE RESIDENTIAL UNITS IN 1 OR MORE OF THE STRUCTURES FOR
24 OCCUPANCY AND USE BY ELDERLY OR DISABLED PERSONS, INCLUDING
25 ESSENTIAL CONTIGUOUS LAND AND RELATED FACILITIES AS WELL AS ALL
26 PERSONAL PROPERTY OF THE CORPORATION OR ASSOCIATION USED IN
27 CONNECTION WITH THE FACILITIES.

1 (E) "NONPROFIT CORPORATION OR ASSOCIATION" MEANS A NONPROFIT
2 CORPORATION OR ASSOCIATION INCORPORATED UNDER THE LAWS OF THIS
3 STATE NOT OTHERWISE EXEMPT FROM THE COLLECTION OF TAXES UNDER
4 THIS ACT, OPERATING A HOUSING FACILITY OR PROJECT QUALIFIED,
5 BUILT, OR FINANCED UNDER SECTION 202 OF TITLE II OF THE HOUSING
6 ACT OF 1959, PUBLIC LAW 86-372, 12 U.S.C. 1701q, SECTION 236 OF
7 TITLE II OF THE NATIONAL HOUSING ACT, CHAPTER 847, 82 STAT. 498,
8 12 U.S.C. 1715z-1, OR SECTION 811 OF SUBTITLE B OF TITLE VIII OF
9 THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT, PUBLIC LAW
10 101-625, 42 U.S.C. 8013.

11 (F) "PERSON WITH DISABILITIES" MEANS THAT TERM AS DEFINED IN
12 SECTION 811 OF SUBTITLE B OF TITLE VIII OF THE CRANSTON-GONZALEZ
13 NATIONAL AFFORDABLE HOUSING ACT, PUBLIC LAW 101-625, 42
14 U.S.C. 8013.

15 (G) "RESIDENTIAL UNITS" INCLUDES 1-BEDROOM UNITS LICENSED
16 UNDER THE ADULT FOSTER CARE FACILITY LICENSING ACT, 1979 PA 218,
17 MCL 400.701 TO 400.737, FOR PERSONS WHO SHARE DINING, LIVING, AND
18 BATHROOM FACILITIES AND WHO HAVE A MENTAL ILLNESS, DEVELOPMENTAL
19 DISABILITY, OR A PHYSICAL HANDICAP, AS THOSE TERMS ARE DEFINED IN
20 THE ADULT FOSTER CARE FACILITY LICENSING ACT, 1979 PA 218, MCL
21 400.701 TO 400.737, OR INDIVIDUAL SELF-CONTAINED DWELLINGS IN AN
22 UNLICENSED FACILITY. AT THE TIME OF CONSTRUCTION OR REHABILITA-
23 TION, BOTH SELF-CONTAINED DWELLINGS AND 1-BEDROOM UNITS MUST BE
24 FINANCED UNDER EITHER SECTION 202 OF TITLE II OF THE HOUSING ACT
25 OF 1959, PUBLIC LAW 86-372, 12 U.S.C. 1701q, OR UNDER SECTION 811
26 OF SUBTITLE B OF TITLE VIII OF THE CRANSTON-GONZALEZ NATIONAL
27 AFFORDABLE HOUSING ACT, PUBLIC LAW 101-625, 42 U.S.C. 8013.