

Act No. 39  
Public Acts of 1998  
Approved by the Governor  
March 18, 1998  
Filed with the Secretary of State  
March 18, 1998  
EFFECTIVE DATE: See act for effective date

STATE OF MICHIGAN  
89TH LEGISLATURE  
REGULAR SESSION OF 1998

Introduced by Senator Stallings

# ENROLLED SENATE BILL No. 369

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes thereon, and for the collection of taxes levied; making such taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection therewith; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal certain acts and parts of acts in anywise contravening any of the provisions of this act," by amending section 7d (MCL 211.7d), as amended by 1987 PA 200.

*The People of the State of Michigan enact:*

Sec. 7d. (1) Housing owned and operated by a nonprofit corporation or association or by the state, a political subdivision of the state, or an instrumentality of the state, for occupancy or use solely by elderly or disabled families is exempt from all general property taxation by the state, city, village, or county, or by a public body or agency. For purposes of this section, housing shall be considered occupied solely by elderly or disabled families even if 1 or more of the units is occupied by service personnel, such as a custodian or nurse.

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

(3) "Housing" means new or rehabilitated structures with 8 or more residential units in 1 or more of the structures for occupancy and use by elderly persons, including essential contiguous land and related facilities as well as all personal property of the corporation or association used in connection with the facilities. As used in this subsection, "residential units" include individual self-contained dwellings, or 1-bedroom units in a facility for persons with a mental illness, a developmental disability, or a physical disability as those terms are defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, that share dining, living, or bathroom facilities, that is financed at the time of construction or rehabilitation under section 202 of title II of the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q, and that is licensed as an adult foster care facility under the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737.

(4) "Nonprofit corporation or association" means a nonprofit corporation or association incorporated under the laws of this state not otherwise exempt from general ad valorem real and personal property taxes operating a housing facility

or project qualified, built, or financed under section 202 of title II of the national housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q, or section 236 of the national housing act, chapter 847, 82 Stat. 498, 12 U.S.C. 1715z-1.

(5) When a tax roll is placed in the hands of a city, county, village, or township treasurer for collection, and there are taxes assessed on that roll against property concerning which exemption is claimed under this section, the treasurer shall prepare a statement on a form prescribed by the department of management and budget showing all descriptions for which exemptions have been claimed under this section, the names and addresses of the corporations or associations entitled to the exemptions, the total amount of taxes so exempted, and the amount of taxes assessed against the descriptions. The city, county, village, or township treasurer shall forward the statement to the department of management and budget, upon verification of which the state treasurer shall draw his or her warrant upon the state treasury for the total amount of tax revenues lost by a local taxing unit as a result of the nonprofit housing exemption allowed by this act as shown by the statement. The state treasurer after examination of the statement shall forward the warrants to the city, county, village, or township treasurer.

(6) The budget director shall estimate, as near as may be, the amount of money necessary to meet the expense of administering the provisions of this section under this act during each year, and the expense shall be met by a specific appropriation included in the budget.

Enacting section 1. This amendatory act does not take effect unless Senate Joint Resolution I of the 89th Legislature is enacted into law.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

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Secretary of the Senate.

*Mary R. Buehler*

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Clerk of the House of Representatives.

Approved \_\_\_\_\_

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Governor.