

**HOMESTEAD EXEMPTION: APPEAL  
TO ASSESSOR FOR 3 YEARS**

**House Bill 5743**  
**Sponsor: Rep. Nancy Cassis**  
**Committee: Tax Policy**

**Complete to 3-11-02**

**A SUMMARY OF HOUSE BILL 5743 AS INTRODUCED 2-26-02**

The bill would amend the General Property Tax Act to allow a homeowner who had a homestead exemption on the tax roll for the current tax year, and who had owned and occupied that homestead in any of the three immediately preceding tax years when the exemption was not on the tax roll, to file an appeal with the local assessor for an exemption for any of those three immediately preceding tax years.

If the assessor granted the appeal for a homestead exemption for a previous year and the exemption resulted in an overpayment, the taxpayer would receive a rebate. The rebate would be paid by either the local tax collecting unit or the county treasurer, depending on who had possession of the tax roll. The rebate, which would be without interest, would have to be made within 30 days of the exemption being granted. The county treasurer could deduct the rebate from the local unit's subsequent distribution of taxes or could bill the local unit its share of the rebate. If the assessor denied the appeal, the owner could file an appeal with the July or December board of review in the year in which the exemption was being claimed or in the immediately succeeding year. If an appeal of a claim for exemption was received not later than five days prior to the date of the July or December board of review, the local unit would have to convene a July or December board of review and consider the appeal.

House Bill 5743 is tie-barred to House Bill 4660, which, as introduced, would allow a homeowner to go to the local board of review to seek a homestead exemption in the year for which the exemption was being claimed or in any succeeding year. Currently, such an appeal is limited to the current year and the immediately succeeding year.

With some exceptions, under Michigan's school financing system, homesteads (owner-occupied principal residences) are exempt from local school property taxes. To receive an exemption, a homeowner needs to file an affidavit with the local tax collecting unit by May 1. Once in place, the exemption remains until the property is transferred or ceases to be a homestead; homeowners need not file each year. However, a homeowner who owns and occupies property as of May 1 can also obtain an exemption by going to the July or December board of review in the year for which the exemption is claimed or in the immediately succeeding year. (Property occupied after May 1 is not eligible for an exemption until the next year.)

MCL 211.7gg and 211.53b

Analyst: C. Couch

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