

# HOUSE BILL No. 5772

March 5, 2002, Introduced by Reps. Toy, Raczkowski, Stewart, Ehardt, Kuipers, Vander Veen, Voorhees, Ruth Johnson, Gosselin, Pappageorge, Julian, Birkholz, Jansen, Richardville and Lipsey 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 1998 PA 469.

## 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 this state, a political subdivision  
3       of this state, or an instrumentality of this state, for occupancy  
4       or use solely by elderly PERSONS or disabled ~~families~~ PERSONS  
5       is exempt from the collection of taxes under this act. For pur-  
6       poses of this section, housing is considered occupied solely by  
7       elderly PERSONS or disabled ~~families~~ PERSONS even if 1 or more  
8       of the RESIDENTIAL units is occupied by service personnel, such  
9       as a custodian or nurse.

10       (2) If a local tax collecting unit has a tax roll for  
11       collection, and the tax roll contains taxes assessed against

1 property for which an exemption is claimed under this section,  
2 the appropriate collecting officer shall prepare a statement on a  
3 form prescribed by the department of management and budget  
4 describing the property for which an exemption is claimed under  
5 this section, the names and addresses of the NONPROFIT corpora-  
6 tion or association entitled to the exemption, the total amount  
7 of taxes exempted, and the amount of taxes assessed against the  
8 property. The local tax collecting unit shall forward the state-  
9 ment to the department of management and budget. Upon verifica-  
10 tion of the statement, the state treasurer shall draw his or her  
11 warrant upon the state treasury for the total amount of tax reve-  
12 nues lost by the local tax collecting unit as a result of the  
13 exemption under this section as shown by the statement. After  
14 examining the statement, the state treasurer shall forward the  
15 warrants to the treasurer of the local tax collecting unit.

16 (3) The director of the department of management and budget  
17 shall estimate the amount necessary to meet the expense of admin-  
18 istering the provisions of this section in each year, and the  
19 legislature shall appropriate an amount sufficient to meet that  
20 expense in each year.

21 (4) As used in this section:

22 (a) "Disabled person" means a person with disabilities.

23 ~~(b) "Elderly or disabled families" means families consist-~~  
24 ~~ing of 2 or more persons if the head of the household, or his or~~  
25 ~~her spouse, is 62 years of age or over or is a disabled person,~~  
26 ~~and includes a single person who is 62 years of age or over or is~~  
27 ~~a disabled person.~~

(B) ~~-(c)-~~ "Elderly person" means that term as defined in section 202 of title II of the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q.

(C) ~~-(d)-~~ "Housing" means ~~new or rehabilitated~~ A STRUCTURE OR GROUP OF structures with 8 or more residential units ~~in 1 or more of the structures~~ for occupancy and use by elderly PERSONS or disabled persons ~~, including~~ OR, FOR TAXES LEVIED AFTER DECEMBER 31, 2001, 2 OR MORE RESIDENTIAL UNITS FOR OCCUPANCY AND USE BY DISABLED PERSONS. HOUSING INCLUDES essential contiguous land and related facilities ~~as well as~~ AND all personal property of the NONPROFIT corporation or association used in connection with the facilities.

(D) ~~-(e)-~~ "Nonprofit corporation or association" means a nonprofit corporation or association incorporated under the laws of this state not otherwise exempt from the collection of taxes under this act. ~~, operating a housing facility or project qualified, built, or financed under section 202 of title II of the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q, section 236 of title II of the national housing act, chapter 847, 82 Stat. 498, 12 U.S.C. 1715z-1, or section 811 of subtitle B of title VIII of the Cranston-Gonzalez national affordable housing act, Public Law 101-625, 42 U.S.C. 8013.~~

(E) ~~-(f)-~~ "Person with disabilities" means that term as defined in section 811 of subtitle B of title VIII of the Cranston-Gonzalez national affordable housing act, Public Law 101-625, 42 U.S.C. 8013.

(F) ~~(g)~~ "Residential units" includes ~~1-bedroom~~ ANY OF THE FOLLOWING:

(i) ONE-BEDROOM units licensed under the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, for persons who share dining, living, and bathroom facilities and who have a mental illness, developmental disability, or a physical ~~handicap~~ DISABILITY, as those terms are defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, ~~or individual~~ FINANCED AT THE TIME OF CONSTRUCTION OR REHABILITATION UNDER EITHER SECTION 202 OF TITLE II OF THE HOUSING ACT OF 1959, PUBLIC LAW 86-372, 12 U.S.C. 1701Q, SECTION 236 OF TITLE II OF THE NATIONAL HOUSING ACT, CHAPTER 847, 82 STAT. 498, 12 U.S.C. 1715Z-1, OR UNDER SECTION 811 OF SUBTITLE B OF TITLE VIII OF THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT, PUBLIC LAW 101-625, 42 U.S.C. 8013.

(ii) INDIVIDUAL self-contained dwellings in an unlicensed facility ~~At~~ FINANCED AT the time of construction or rehabilitation ~~, both self-contained dwellings and 1-bedroom units must be financed~~ under either section 202 of title II of the housing act of 1959, Public Law 86-372, 12 U.S.C. 1701q, or under section 811 of subtitle B of title VIII of the Cranston-Gonzalez national affordable housing act, Public Law 101-625, 42 U.S.C. 8013.

(iii) ONE-BEDROOM UNITS IN A STRUCTURE OR GROUP OF STRUCTURES FOR DISABLED PERSONS WHO SHARE DINING, LIVING, AND BATHROOM FACILITIES AND WHO HAVE A MENTAL ILLNESS, DEVELOPMENTAL DISABILITY, OR PHYSICAL DISABILITY, AS THOSE TERMS ARE DEFINED IN THE

- 1 ADULT FOSTER CARE FACILITY LICENSING ACT, 1979 PA 218, MCL
- 2 400.701 TO 400.737.