

Legislative Analysis



EXEMPTION FOR PROPERTY OWNED BY NONPROFIT HOUSING CORPORATION

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House Bill 5672

Sponsor: Rep. Joe Hune

Committee: Local Government and Urban Policy

Complete to 5-10-04

A SUMMARY OF HOUSE BILL 5672 AS INTRODUCED 3-23-04

The bill would amend the General Property Tax Act to provide a property tax exemption for property owned by a nonprofit housing organization when the organization meets certain criteria.

(Generally speaking, the act currently provides an exemption for real and personal property “owned and occupied” by a nonprofit charitable institution, and it contains specific exemptions for certain kinds of housing, such as parsonages.)

Under the bill, real or personal property owned by a nonprofit housing corporation would be exempt from the collection of taxes under the General Property Tax Act, if the corporation satisfied all of the following conditions:

- it was qualified under section 501(c)(3) of the Internal Revenue Code;
- it was organized for the purpose of developing, owning, and operating affordable or supportive housing programs for the benefit of the public generally;
- it received funding assistance from the United States Department of Housing and Urban Development, or under the State Housing Development Authority Act of 1966; and,
- it was licensed under the Charitable Organizations and Solicitations Act.

MCL 211.7o

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