

# HOUSE BILL No. 4220

February 13, 2003, Introduced by Reps. Kolb, Minore, Whitmer, Law and Tobocman and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7o (MCL 211.7o), as amended by 2000 PA 309.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7o. (1) Real or personal property owned and occupied  
2 by a nonprofit charitable institution while occupied by that  
3 nonprofit charitable institution solely for the purposes for  
4 which it was incorporated is exempt from the collection of taxes  
5 **and special assessments** under this act.

6       (2) Real or personal property owned and occupied by a  
7 charitable trust while occupied by that charitable trust solely  
8 for the charitable purposes for which that charitable trust was  
9 established is exempt from the collection of taxes **and special**  
10 **assessments** under this act.

11       (3) Real or personal property owned by a nonprofit charitable

1 institution or charitable trust that is leased, loaned, or  
2 otherwise made available to another nonprofit charitable  
3 institution or charitable trust or to a nonprofit hospital or a  
4 nonprofit educational institution that is occupied by that  
5 nonprofit charitable institution, charitable trust, nonprofit  
6 hospital, or nonprofit educational institution solely for the  
7 purposes for which that nonprofit charitable institution,  
8 charitable trust, nonprofit hospital, or nonprofit educational  
9 institution was organized or established and that would be exempt  
10 from taxes **and special assessments** collected under this act if  
11 the real or personal property were occupied by the lessor  
12 nonprofit charitable institution or charitable trust solely for  
13 the purposes for which the lessor charitable nonprofit  
14 institution was organized or the charitable trust was established  
15 is exempt from the collection of taxes **and special assessments**  
16 under this act.

17 (4) For taxes levied after December 31, 1997, real or  
18 personal property owned by a nonprofit charitable institution or  
19 charitable trust that is leased, loaned, or otherwise made  
20 available to a governmental entity is exempt from the collection  
21 of taxes **and special assessments** under this act if all of the  
22 following conditions are satisfied:

23 (a) The real or personal property would be exempt from the  
24 collection of taxes under this act under section 7m if the real  
25 or personal property were owned or were being acquired pursuant  
26 to an installment purchase agreement by the lessee governmental  
27 entity.

1 (b) The real or personal property would be exempt from the  
2 collection of taxes under this act if occupied by the lessor  
3 nonprofit charitable institution or charitable trust solely for  
4 the purposes for which the lessor charitable nonprofit  
5 institution was organized or the charitable trust was  
6 established.

7 (5) If authorized by a resolution of the local tax collecting  
8 unit in which the real or personal property is located, real or  
9 personal property owned by a nonprofit charitable institution  
10 that is occupied and used by the nonprofit charitable  
11 institution's chief executive officer as his or her principal  
12 residence as a condition of his or her employment and that is  
13 contiguous to real property that contains the nonprofit  
14 charitable institution's principal place of business is exempt  
15 from the collection of taxes **and special assessments** under this  
16 act.

17 (6) A charitable home of a fraternal or secret society, or a  
18 nonprofit corporation whose stock is wholly owned by a religious  
19 or fraternal society that owns and operates facilities for the  
20 aged and chronically ill and in which the net income from the  
21 operation of the corporation does not inure to the benefit of any  
22 person other than the residents, is exempt from the collection of  
23 taxes **and special assessments** under this act.

24 (7) As used in this section:

25 (a) "Charitable trust" means a charitable trust registered  
26 under the supervision of trustees for charitable purposes act,  
27 1961 PA 101, MCL 14.251 to 14.266.

(b) "Governmental entity" means 1 or more of the following:

(i) The federal government or an agency, department, division, bureau, board, commission, council, or authority of the federal government.

(ii) This state or an agency, department, division, bureau, board, commission, council, or authority of this state.

(iii) A county, city, township, village, local or intermediate school district, or municipal corporation.

(iv) A public educational institution, including, but not limited to, a local or intermediate school district, a public school academy, a community college or junior college established pursuant to section 7 of article VIII of the state constitution of 1963, or a state 4-year institution of higher education located in this state.

(v) Any other authority or public body created under state law.

(c) "Public school academy" means a public school academy organized under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.