

# HOUSE BILL No. 5672

March 23, 2004, Introduced by Reps. Hune, Tabor, DeRoche, Stahl, Brandenburg, Nofs, Wenke, Stakoe, Ward, Kooiman, Plakas and Hoogendyk and referred to the Committee on Local Government and Urban 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 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 under this  
10 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 collected under this act if the real or personal  
11 property were occupied by the lessor nonprofit charitable  
12 institution or charitable trust solely for the purposes for which  
13 the lessor charitable nonprofit institution was organized or the  
14 charitable trust was established is exempt from the collection of  
15 taxes under this act.

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

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

27 (b) The real or personal property would be exempt from the

1 collection of taxes under this act if occupied by the lessor  
2 nonprofit charitable institution or charitable trust solely for  
3 the purposes for which the lessor charitable nonprofit  
4 institution was organized or the charitable trust was  
5 established.

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

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

22 (7) Real or personal property owned by a nonprofit housing  
23 corporation is exempt from the collection of taxes under this act  
24 if all of the following conditions are satisfied:

25 (a) The nonprofit housing corporation is qualified under  
26 section 501(c)(3) of the internal revenue code, 26 USC  
27 501(c)(3).

1       (b) The nonprofit housing corporation is organized for the  
2 purpose of developing, owning, and operating affordable or  
3 supportive housing programs for the benefit of the public  
4 generally.

5       (c) The nonprofit housing corporation receives funding  
6 assistance from the United States department of housing and urban  
7 development or under the state housing development authority act  
8 of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

9       (d) The nonprofit housing corporation is licensed under the  
10 charitable organizations and solicitations act, 1975 PA 169, MCL  
11 400.271 to 400.294.

12       (8) ~~—(7)—~~ As used in this section:

13       (a) "Charitable trust" means a charitable trust registered  
14 under the supervision of trustees for charitable purposes act,  
15 1961 PA 101, MCL 14.251 to 14.266.

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

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

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

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

24       (iv) A public educational institution, including, but not  
25 limited to, a local or intermediate school district, a public  
26 school academy, a community college or junior college established  
27 pursuant to section 7 of article VIII of the state constitution

1 of 1963, or a state 4-year institution of higher education  
2 located in this state.

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

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