

Act No. 612
Public Acts of 2006
Approved by the Governor
January 3, 2007
Filed with the Secretary of State
January 3, 2007
EFFECTIVE DATE: January 3, 2007

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2006**

Introduced by Senators Jelinek, Allen, Hardiman, Basham and Goschka

ENROLLED SENATE BILL No. 65

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," (MCL 211.1 to 211.157) by adding section 7kk.

The People of the State of Michigan enact:

Sec. 7kk. (1) The governing body of a local tax collecting unit may adopt a resolution to exempt from the collection of taxes under this act eligible nonprofit housing property. The clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit. Before acting on the resolution, the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing.

(2) The exemption under this section is effective on the December 31 immediately succeeding the adoption of the resolution by the governing body of the local tax collecting unit or the issuance of a building permit for the eligible nonprofit housing property, whichever is later. The exemption under this section shall continue in effect for 2 years, until the eligible nonprofit housing property is occupied by a low-income person under a lease agreement, or until there is a transfer of ownership of the eligible nonprofit housing property, whichever occurs first. A copy of the resolution shall be filed with the state tax commission.

(3) As used in this section:

(a) "Charitable nonprofit housing organization" means a charitable nonprofit organization the primary purpose of which is the construction or renovation of residential housing for conveyance to a low-income person.

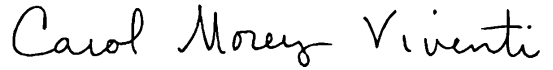
(b) "Eligible nonprofit housing property" means a single family dwelling or duplex owned by a charitable nonprofit housing organization, the ownership of which the charitable nonprofit housing organization intends to transfer to a low-income person after construction or renovation of the single family dwelling or duplex is completed to be used as that low-income person's principal residence.

(c) "Family income" and "statewide median gross income" mean those terms as defined in section 11 of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

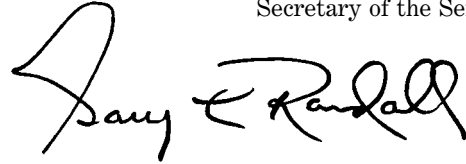
(d) "Low-income person" means a person with a family income of not more than 80% of the statewide median gross income who is eligible to participate in the charitable nonprofit housing organization's program based on criteria established by the charitable nonprofit housing organization.

(e) "Principal residence" means property exempt as a principal residence under section 7cc.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor