

# HOUSE JOINT RESOLUTION DDD

June 25, 2008, Introduced by Reps. Cushingberry, Gaffney and Dean and referred to the Committee on Tax Policy.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 3 of article IX, to limit the increase in the taxable value of property following a transfer of ownership.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to limit the increase in the taxable value of property following a transfer of ownership, is proposed, agreed to, and submitted to the people of the state:

## ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not

1 exempt by law except for taxes levied for school operating  
2 purposes. The legislature shall provide for the determination of  
3 true cash value of such property; the proportion of true cash value  
4 at which such property shall be uniformly assessed, which shall  
5 not, after January 1, 1966, exceed 50 percent; and for a system of  
6 equalization of assessments. For taxes levied in 1995 ~~and each year~~  
7 ~~thereafter~~ **THROUGH 2009**, the legislature shall provide that the  
8 taxable value of each parcel of property adjusted for additions and  
9 losses, shall not increase each year by more than the increase in  
10 the immediately preceding year in the general price level, as  
11 defined in section 33 of this article, or 5 percent, whichever is  
12 less until ownership of the parcel of property is transferred. ~~When~~  
13 **FOR TAXES LEVIED IN 1995 THROUGH 2009, WHEN** ownership of the parcel  
14 of property is transferred as defined by law, the parcel shall be  
15 assessed at the applicable proportion of current true cash value.  
16 **FOR TAXES LEVIED IN 2010 AND EACH YEAR THEREAFTER, THE LEGISLATURE**  
17 **SHALL PROVIDE THAT THE TAXABLE VALUE OF EACH PARCEL OF PROPERTY**  
18 **ADJUSTED FOR ADDITIONS AND LOSSES, SHALL NOT INCREASE EACH YEAR BY**  
19 **MORE THAN THE INCREASE IN THE IMMEDIATELY PRECEDING YEAR IN THE**  
20 **GENERAL PRICE LEVEL, AS DEFINED IN SECTION 33 OF THIS ARTICLE, OR 5**  
21 **PERCENT, WHICHEVER IS LESS. FOR TAXES LEVIED IN 2010 AND EACH YEAR**  
22 **THEREAFTER, WHEN OWNERSHIP OF THE PARCEL OF PROPERTY IS TRANSFERRED**  
23 **AS DEFINED BY LAW, THE PARCEL SHALL BE ASSESSED AT THE PARCEL'S**  
24 **TAXABLE VALUE IN THE IMMEDIATELY PRECEDING YEAR ADJUSTED BY THE**  
25 **INCREASE IN THE IMMEDIATELY PRECEDING YEAR IN THE GENERAL PRICE**  
26 **LEVEL, AS DEFINED IN SECTION 33 OF THIS ARTICLE, OR 5 PERCENT,**  
27 **WHICHEVER IS LESS.** The legislature may provide for alternative

1 means of taxation of designated real and tangible personal property  
2 in lieu of general ad valorem taxation. Every tax other than the  
3 general ad valorem property tax shall be uniform upon the class or  
4 classes on which it operates. A law that increases the statutory  
5 limits in effect as of February 1, 1994 on the maximum amount of ad  
6 valorem property taxes that may be levied for school district  
7 operating purposes requires the approval of 3/4 of the members  
8 elected to and serving in the Senate and in the House of  
9 Representatives.

10 Resolved further, That the foregoing amendment shall be  
11 submitted to the people of the state at the next general election  
12 in the manner provided by law.