

SUBSTITUTE FOR  
HOUSE BILL NO. 5786

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
(MCL 211.1 to 211.155) by adding section 7mm.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 7MM. BEGINNING DECEMBER 31, 2009, REAL AND PERSONAL  
2        PROPERTY OF A CHARITABLE NONPROFIT HOUSING ORGANIZATION THAT IS  
3        USED FOR A RETAIL STORE OPERATED BY THAT CHARITABLE NONPROFIT  
4        HOUSING ORGANIZATION AND THAT IS ENGAGED EXCLUSIVELY IN THE SALE OF  
5        DONATED ITEMS SUITABLE FOR RESIDENTIAL HOUSING PURPOSES, THE  
6        PROCEEDS OF WHICH ARE USED FOR THE PURPOSES OF THE CHARITABLE  
7        NONPROFIT HOUSING ORGANIZATION, IS EXEMPT FROM THE COLLECTION OF  
8        TAXES LEVIED UNDER THIS ACT. AS USED IN THIS SECTION:

9        (A) "CHARITABLE NONPROFIT HOUSING ORGANIZATION" MEANS AN  
10       ORGANIZATION THAT IS NOT OPERATED FOR PROFIT AND THAT IS EXEMPT

1 FROM FEDERAL INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL  
2 REVENUE CODE, 26 USC 501, THE PRIMARY PURPOSE OF WHICH IS THE  
3 CONSTRUCTION OR RENOVATION OF RESIDENTIAL HOUSING FOR CONVEYANCE TO  
4 A LOW-INCOME PERSON.

5 (B) "FAMILY INCOME" AND "STATEWIDE MEDIAN GROSS INCOME" MEAN  
6 THOSE TERMS AS DEFINED IN SECTION 11 OF THE STATE HOUSING  
7 DEVELOPMENT AUTHORITY ACT OF 1966, 1966 PA 346, MCL 125.1411.

8 (C) "LOW-INCOME PERSON" MEANS A PERSON WITH A FAMILY INCOME OF  
9 NOT MORE THAN 60% OF THE STATEWIDE MEDIAN GROSS INCOME WHO IS  
10 ELIGIBLE TO PARTICIPATE IN THE CHARITABLE NONPROFIT HOUSING  
11 ORGANIZATION'S PROGRAM BASED ON CRITERIA ESTABLISHED BY THE  
12 CHARITABLE NONPROFIT HOUSING ORGANIZATION.