

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.