

SUBSTITUTE FOR
SENATE JOINT RESOLUTION H

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 3 of article IX, to limit the increase in taxable value of real property under certain circumstances.

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 taxable value of real property under certain circumstances, is proposed, agreed to, and submitted to the people of the state:

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ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operating purposes. The legislature shall provide for the determination of

1 true cash value of such property; the proportion of true cash value
2 at which such property shall be uniformly assessed, which shall
3 not, after January 1, 1966, exceed 50 percent; and for a system of
4 equalization of assessments. For taxes levied in 1995 and each year
5 thereafter, the legislature shall provide that the taxable value of
6 each parcel of property adjusted for additions and losses, shall
7 not increase each year by more than the increase in the immediately
8 preceding year in the general price level, as defined in section 33
9 of this article, or 5 percent, whichever is less until ownership of
10 the parcel of property is transferred. **HOWEVER, FOR TAXES LEVIED**
11 **AFTER 2009, THE LEGISLATURE SHALL PROVIDE THAT IF A PROPERTY'S**
12 **ASSESSED VALUE HAS DECREASED, ADJUSTED FOR ADDITIONS AND LOSSES,**
13 **THE PROPERTY'S TAXABLE VALUE IN THE IMMEDIATELY SUCCEEDING YEAR**
14 **SHALL BE THE LESSER OF THE PROPERTY'S TAXABLE VALUE IN THE**
15 **IMMEDIATELY PRECEDING YEAR OR THE PROPERTY'S ASSESSED VALUE.** When
16 ownership of the parcel of property is transferred as defined by
17 law, the parcel shall be assessed at the applicable proportion of
18 current true cash value. The legislature may provide for
19 alternative means of taxation of designated real and tangible
20 personal property in lieu of general ad valorem taxation. Every tax
21 other than the general ad valorem property tax shall be uniform
22 upon the class or classes on which it operates. A law that
23 increases the statutory limits in effect as of February 1, 1994 on
24 the maximum amount of ad valorem property taxes that may be levied
25 for school district operating purposes requires the approval of 3/4
26 of the members elected to and serving in the Senate and in the
27 House of Representatives.

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