

# HOUSE BILL No. 5179

December 17, 2015, Introduced by Reps. Byrd, Robinson, Santana, Garrett, Zemke, Sarah Roberts, Love, Banks, Gay-Dagnogo and Phelps and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7u (MCL 211.7u), as amended by 2012 PA 135.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7u. (1) The principal residence of persons who, in the  
2 judgment of the supervisor and board of review, by reason of  
3 poverty, are unable to contribute toward the public charges is  
4 eligible for exemption in whole or in part from taxation under this  
5 act. This section does not apply to the property of a corporation.

6       (2) To be eligible for exemption under this section, a person  
7 shall do all of the following on an annual basis:

8       (a) Be an owner of and occupy as a principal residence the  
9 property for which an exemption is requested. **THE PERSON SHALL**  
10 **AFFIRM THIS OWNERSHIP AND OCCUPANCY STATUS IN WRITING BY FILING A**

1   **FORM PRESCRIBED BY THE STATE TAX COMMISSION WITH THE LOCAL**  
2   **ASSESSING UNIT.**

3           (b) File a claim with the supervisor or board of review on a  
4   form provided by the local assessing unit, accompanied by federal  
5   and state income tax returns for all persons residing in the  
6   principal residence, including any property tax credit returns,  
7   filed in the immediately preceding year or in the current year.  
8   Federal and state income tax returns are not required for a person  
9   residing in the principal residence if that person was not required  
10   to file a federal or state income tax return in the tax year in  
11   which the exemption under this section is claimed or in the  
12   immediately preceding tax year. If a person was not required to  
13   file a federal or state income tax return in the tax year in which  
14   the exemption under this section is claimed or in the immediately  
15   preceding tax year, an affidavit in a form prescribed by the state  
16   tax commission may be accepted in place of the federal or state  
17   income tax return. The filing of a claim under this subsection  
18   constitutes an appearance before the board of review for the  
19   purpose of preserving the claimant's right to appeal the decision  
20   of the board of review regarding the claim.

21           (c) Produce a valid driver's license or other form of  
22   identification if requested by the supervisor or board of review.

23           (d) Produce a deed, land contract, or other evidence of  
24   ownership of the property for which an exemption is requested if  
25   required by the supervisor or board of review.

26           (e) Meet the federal poverty guidelines updated annually in  
27   the federal register by the United States ~~department of health and~~

~~human services~~ **DEPARTMENT OF HEALTH AND HUMAN SERVICES** under  
authority of ~~section 673 of subtitle B of title VI of the omnibus~~  
~~budget reconciliation act of 1981, Public Law 97-35,~~ 42 USC 9902 ,  
or alternative guidelines adopted by the governing body of the  
local assessing unit provided the alternative guidelines do not  
provide income eligibility requirements less than the federal  
guidelines.

(3) The application for an exemption under this section shall  
be filed after January 1 but before the day prior to the last day  
of the board of review.

(4) The governing body of the local assessing unit shall  
determine and make available to the public the policy and  
guidelines the local assessing unit uses for the granting of  
exemptions under this section. The guidelines shall include but not  
be limited to the specific income and asset levels of the claimant  
and total household income and assets.

(5) The board of review shall follow the policy and guidelines  
of the local assessing unit in granting or denying an exemption  
under this section unless the board of review determines there are  
substantial and compelling reasons why there should be a deviation  
from the policy and guidelines and the substantial and compelling  
reasons are communicated in writing to the claimant. **THE BOARD OF  
REVIEW MAY GRANT AN EXEMPTION UNDER THIS SECTION FOR THE YEAR IN  
WHICH THE EXEMPTION IS CLAIMED AND, FOR GOOD CAUSE SHOWN, THE  
IMMEDIATELY PRECEDING 3 YEARS.**

(6) A person who files a claim under this section is not  
prohibited from also appealing the assessment on the property for

1 which that claim is made before the board of review in the same  
2 year.

3 (7) As used in this section, "principal residence" means  
4 principal residence or qualified agricultural property as those  
5 terms are defined in section 7dd.