

SUBSTITUTE FOR  
HOUSE BILL NO. 6024

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 7b. (1) Real property used and owned as a homestead by a  
2 disabled veteran who was discharged from the ~~armed forces~~ **ARMED**  
3 **FORCES** of the United States under honorable conditions or, ~~by an~~  
4 ~~individual described in~~ **SUBJECT TO** subsection (2), **A DISABLED**  
5 **VETERAN'S UNREMARIED SURVIVING SPOUSE** is exempt from the  
6 collection of taxes under this act. To obtain the exemption, **THE**  
7 **PROPERTY OWNER OR HIS OR HER LEGAL DESIGNEE SHALL FILE** an affidavit  
8 showing the facts required by this section and a description of the  
9 real property ~~shall be filed by the property owner or his or her~~  
10 ~~legal designee~~ with the supervisor or other assessing officer  
11 during the period beginning with the tax day ~~for each year and~~

1 ending at the time of the final adjournment of the local board of  
2 review. The affidavit when filed shall be open to inspection. ~~The~~  
3 ~~county treasurer shall cancel taxes subject to collection under~~  
4 ~~this act for any year in which a disabled veteran eligible for the~~  
5 ~~exemption under this section has acquired title to real property~~  
6 ~~exempt under this section. Upon granting the~~ **IF AN exemption IS**  
7 **GRANTED** under this section, **ALL OF THE FOLLOWING APPLY:**

8 **(A) TAXES EXEMPT FROM COLLECTION IN A CALENDAR YEAR FOR WHICH**  
9 **THE EXEMPTION IS IN EFFECT SHALL BE DETERMINED IN PROPORTION TO THE**  
10 **NUMBER OF MONTHS THAT THE PROPERTY QUALIFIED FOR THE EXEMPTION**  
11 **UNDER THIS SECTION DURING THAT CALENDAR YEAR.**

12 **(B) THE EXEMPTION REMAINS IN EFFECT UNTIL 1 OF THE FOLLOWING**  
13 **DATES, AS APPLICABLE:**

14 **(i) IF THE EXEMPT STATUS OF THE PROPERTY IS BASED ON A**  
15 **DISABILITY DESCRIBED IN SUBSECTION (3) (A) OR (B), THE DATE ON WHICH**  
16 **THE PROPERTY NO LONGER QUALIFIES FOR THE EXEMPTION UNDER THIS**  
17 **SECTION. THE BENEFICIARY OF AN EXEMPTION THAT TERMINATES UNDER THIS**  
18 **SUBPARAGRAPH SHALL, PURSUANT TO A FORM AND PROCEDURES PRESCRIBED BY**  
19 **THE STATE TAX COMMISSION, NOTIFY THE SUPERVISOR OR OTHER ASSESSING**  
20 **OFFICER OF THE LOSS OF EXEMPT STATUS.**

21 **(ii) IF THE EXEMPT STATUS OF THE PROPERTY IS BASED ON A**  
22 **DISABILITY DESCRIBED IN SUBSECTION (3) (C), DECEMBER 30 OF THE TAX**  
23 **YEAR IN WHICH THE EXEMPTION CLAIMANT APPLIED FOR THE EXEMPTION OR**  
24 **THE DATE ON WHICH THE PROPERTY NO LONGER QUALIFIES FOR THE**  
25 **EXEMPTION UNDER THIS SECTION, WHICHEVER IS EARLIER. THE BENEFICIARY**  
26 **OF AN EXEMPTION THAT TERMINATES UNDER THIS SUBPARAGRAPH BEFORE**  
27 **DECEMBER 30 SHALL, PURSUANT TO A FORM AND PROCEDURES PRESCRIBED BY**

1 THE STATE TAX COMMISSION, NOTIFY THE SUPERVISOR OR OTHER ASSESSING  
2 OFFICER OF THE LOSS OF EXEMPT STATUS.

3 (C) WHILE THE EXEMPTION IS IN EFFECT, each local taxing unit  
4 shall bear the loss of its portion of the taxes upon which the  
5 exemption has been granted.

6 (2) If a disabled veteran who is otherwise eligible for the  
7 exemption under this section dies, either before or after the  
8 exemption under this section is granted, the exemption ~~shall remain~~  
9 **REMAINS** available to or ~~shall continue~~ **CONTINUES** for his or her  
10 unremarried surviving spouse. The surviving spouse shall comply  
11 with the requirements of subsection (1) and shall indicate on the  
12 affidavit that he or she is the surviving spouse of a disabled  
13 veteran entitled to the exemption under this section. The exemption  
14 ~~shall continue~~ **IS AVAILABLE TO A SURVIVING SPOUSE WHO MEETS THE**  
15 **REQUIREMENTS OF SUBSECTION (1) AS TO REAL PROPERTY THAT HE OR SHE**  
16 **OWNS AND USES AS A HOMESTEAD WHETHER OR NOT THE DISABLED VETERAN TO**  
17 **WHOM THE SURVIVING SPOUSE HAD BEEN MARRIED OWNED OR USED THAT**  
18 **PROPERTY AS HIS OR HER HOMESTEAD. AN EXEMPTION GRANTED UNDER THIS**  
19 **SUBSECTION CONTINUES** as long as the surviving spouse remains  
20 unremarried.

21 (3) As used in this section, "disabled veteran" means ~~a person~~  
22 **AN INDIVIDUAL** who is a resident of this state and who meets 1 of  
23 the following criteria:

24 (a) Has been determined by the United States ~~department~~  
25 **DEPARTMENT** of ~~veterans affairs~~ **VETERANS AFFAIRS** to be permanently  
26 and totally disabled as a result of military service and entitled  
27 to veterans' benefits at the 100% rate.

1 (b) Has a certificate from the United States ~~veterans'~~  
2 ~~administration, or its successors,~~ **DEPARTMENT OF VETERANS AFFAIRS**  
3 certifying that he or she is receiving or has received pecuniary  
4 assistance due to disability for specially adapted housing.

5 (c) Has been rated by the United States ~~department~~ **DEPARTMENT**  
6 of ~~veterans affairs~~ **VETERANS AFFAIRS** as individually unemployable.

7 Enacting section 1. This amendatory act is curative insofar as  
8 it clarifies the scope of the exemption available to a disabled  
9 veteran's surviving spouse under section 7b(2) of the general  
10 property tax act, 1893 PA 206, MCL 211.7b, and, to that extent, is  
11 intended to correct any misinterpretation of legislative intent in  
12 the final opinion and judgment of the Michigan tax tribunal, MTT  
13 Docket No. 16-004780, issued March 15, 2017.