

House Bill 4534 (as passed by the House)
Sponsor: Representative Bradley Slagh
House Committee: Local Government and Municipal Finance
Senate Committee: Finance

CONTENT

The bill would amend the General Property Tax Act to do the following:

- Eliminate a requirement that a copy of a conditional rescission form for a principal residence exemption (PRE) be forwarded to the Department of Treasury and, instead, require the owner of the property to retain one copy of the form and one copy to be retained by the local tax collecting unit.
- Require an assessor would have to notify the owner and the county treasurer, instead of the Department, of a denial of a PRE.
- Eliminate a provision stating that an affidavit filed by an owner for a PRE rescinds all previous exemptions filed by that owner for any other property.
- Allow an owner who met certain condition to file an affidavit with the local tax collecting unit claiming an exemption for the current calendar year or the immediately preceding three calendar years, instead of an appeal.
- Modify provisions pertaining to a board of review to conform to the bill's proposed changes

MCL 211.7cc & 211.53b

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have a minimal negative fiscal impact on the State and could have a positive fiscal impact on local governments. The bill's changes could result in some administrative savings for local governments. The property taxes that are exempt under the PRE are used exclusively to support the foundation allowance for the local K-12 school district. The School Aid Fund pays the difference in the foundation allowance that is not covered by local revenue. Any increase in PREs because of the bill would increase costs to the School Aid Fund, but any increase likely would be very small.

Date Completed: 6-14-22

Fiscal Analyst: Ryan Bergan