

SENATE BILL NO. 192

March 20, 2025, Introduced by Senator CHANG and referred to Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7zz.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7zz. (1) For taxes levied after December 31, 2025, real
2 property used as an individual's primary residence is partially
3 exempt from the collection of taxes under this act in the amount
4 calculated under subsection (2) if all of the following conditions
5 are met:

1 (a) The real property is owned by the individual, the
2 individual's spouse, or the mother, father, brother, sister, son,
3 daughter, adopted son, adopted daughter, grandson, or granddaughter
4 of the individual or the individual's spouse.

5 (b) Either of the following:

6 (i) The individual is at least 63 years of age and has
7 continuously used the property as the individual's primary
8 residence for at least the immediately preceding 10 years.

9 (ii) The individual has continuously used the property as the
10 individual's primary residence for at least the immediately
11 preceding 30 years.

12 (c) For the current tax year, the total gross income of the
13 individual and all those who are members of the individual's
14 household is not greater than \$40,000.00.

15 (2) The amount of the exemption under subsection (1) is the
16 taxable value of the primary residence in the current tax year
17 minus the base amount.

18 (3) When married individuals maintain separate primary
19 residences, the exemption provided for in this section may be
20 claimed by only 1 of those individuals and for only 1 primary
21 residence.

22 (4) The department of treasury shall promulgate rules to
23 implement this section pursuant to the administrative procedures
24 act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

25 (5) As used in this section:

26 (a) "Additions" means that term as defined in section 34d.

27 (b) "Base amount" means the taxable value of a primary
28 residence in the base year minus all losses and plus all additions
29 since that base year.

1 (c) "Base year" means the tax year for which the exemption
2 claimant first applies and qualifies for the exemption under this
3 section. However, if in any subsequent tax year for which the
4 exemption claimant applies and qualifies for the exemption the
5 taxable value of the primary residence is less than the taxable
6 value in the existing base year, then that subsequent tax year
7 becomes the base year unless the taxable value for the subsequent
8 tax year results from a temporary irregularity in the property that
9 reduces the taxable value for 1 or more years.

10 (d) "Gross income" means that term as defined in section 12 of
11 the income tax act of 1967, 1967 PA 281, MCL 206.12.

12 (e) "Losses" means that term as defined in section 34d.

13 (f) "Taxable value" means the taxable value as determined
14 under section 27a.