

HOUSE BILL No. 4707

May 3, 2001, Introduced by Rep. Birkholz and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 7u (MCL 211.7u), as amended by 1994 PA 390.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

7 (2) To be eligible for exemption under ~~this section~~
8 SUBSECTION (1), a person shall do all of the following on an
9 annual basis:

10 (a) Be an owner of and occupy as a homestead the property
11 for which an exemption is requested.

1 (b) File a claim with the supervisor or board of review on a
2 form provided by the local assessing unit, accompanied by federal
3 and state income tax returns for all persons residing in the
4 homestead, including any property tax credit returns, filed in
5 the immediately preceding year or in the current year. The
6 filing of a claim under this subsection constitutes an appearance
7 before the board of review for the purpose of preserving the
8 claimant's right to appeal the decision of the board of review
9 regarding the claim.

10 (c) Produce a valid driver's license or other form of iden-
11 tification if requested by the supervisor or board of review.

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

15 (e) Meet the federal poverty income standards as defined and
16 determined annually by the United States office of management and
17 budget or alternative guidelines adopted by the governing body of
18 the local assessing unit provided the alternative guidelines do
19 not provide income eligibility requirements less than the federal
20 guidelines.

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

24 (4) The governing body of the local assessing unit shall
25 determine and make available to the public the policy and guide-
26 lines the local assessing unit uses for the granting of
27 exemptions under ~~this section~~ SUBSECTION (1). The guidelines

1 shall include but not be limited to the specific income and asset
2 levels of the claimant and total household income and assets.

3 (5) The board of review shall follow the policy and guide-
4 lines of the local assessing unit in granting or denying an
5 exemption under ~~this section~~ SUBSECTION (1) unless the board of
6 review determines there are substantial and compelling reasons
7 why there should be a deviation from the policy and guidelines
8 and the substantial and compelling reasons are communicated in
9 writing to the claimant.

10 (6) A person who files a claim ~~under this section~~ FOR THE
11 EXEMPTION UNDER SUBSECTION (1) is not prohibited from also
12 appealing the assessment on the property for which that claim is
13 made before the board of review in the same year.

14 (7) THE SUPERVISOR AND BOARD OF REVIEW MAY REVIEW AND
15 RESCIND ANY PROPERTY TAXES, FEES, PENALTIES, AND INTEREST DUE ON
16 A HOMESTEAD WITHHELD FROM THE PETITION FOR FORECLOSURE PURSUANT
17 TO SECTION 78H(3)(B) OR WITHHELD FROM FORECLOSURE PURSUANT TO
18 SECTION 78K(4), IF ALL OF THE FOLLOWING CONDITIONS ARE
19 SATISFIED:

20 (A) THE OWNER OF THE HOMESTEAD SATISFIES THE INCOME CRITERIA
21 APPLIED BY THE LOCAL ASSESSING UNIT PURSUANT TO SUBSECTION (2)(E)
22 IN DETERMINING ELIGIBILITY FOR AN EXEMPTION UNDER SUBSECTION
23 (1).

24 (B) THE OWNER OF THE HOMESTEAD DID NOT FILE A CLAIM FOR THE
25 EXEMPTION UNDER SUBSECTION (1) IN THE YEAR FOR WHICH THE TAXES
26 WERE RETURNED AS DELINQUENT AND THE HOMESTEAD WAS FORFEITED TO
27 THE COUNTY TREASURER UNDER SECTION 78G.

1 (8) THIS SECTION DOES NOT APPLY TO THE PROPERTY OF A
2 CORPORATION.

3 (9) ~~(7)~~ As used in this section, "homestead" means home-
4 stead or qualified agricultural property as those terms are
5 defined in section 7dd.