

# Legislative Analysis

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## **PRINCIPAL RESIDENCE EXEMPTION: BOARDING SCHOOL EMPLOYEES**

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**House Bill 6028**

**Sponsor: Rep. Shelley Goodman Taub**

**Committee: Tax Policy**

**Complete to 9-19-06**

## **A SUMMARY OF HOUSE BILL 6028 AS INTRODUCED 5-3-06**

The bill would amend the General Property Tax to specify that a property owner who, as a condition of employment at a boarding school in this state, lives on campus while school is in session, would be entitled to claim one principal residence exemption exempting property from the 18 school operating mills, if the property owner files the principal residence exemption affidavit required under the act.

MCL 211.7cc

## **FISCAL IMPACT:**

Because the number of taxpayers that will take advantage of this provision and the taxable values of their homesteads is not known, a precise estimate is not possible. However, the impact would probably be \$1.0 million or less. The bill would have no direct impact on state revenues; the reduction would be entirely at the local level and would reduce funding for schools. The School Aid Fund would then have to offset this loss through the foundation allowance.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.