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BILL ANALYSIS

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Senate Bill 578 (as introduced 6-8-05)
Sponsor: Senator Nancy Cassis
Committee: Finance

Date Completed: 6-8-05

CONTENT

The bill would amend the General Property Tax Act to limit the requirement that residents file Federal and State income tax returns with a claim for an exemption based on poverty. Under the bill, the requirement would apply to people who were required to file Federal and State income tax returns.

Under the Act, the principal residence of individuals who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charges is eligible for an exemption in whole or in part from taxation under the Act.

To be eligible for the exemption, a person must meet various requirements, which include filing a claim with the supervisor or board of review on a form provided by the local assessing unit, accompanied by Federal and State income tax returns for all people residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year. Under the bill, the claim would have to include tax returns from all people residing in the principal residence who were required to file Federal and State income tax returns.

MCL 211.7u

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Jay Wortley

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