

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5761

A bill to amend 1895 PA 1, entitled
"An act to provide for the incorporation of Masonic Associations;
and to impose certain duties upon the department of commerce,"
(MCL 457.221 to 457.227) by adding section 4a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 4A. (1) EXCEPT AS LIMITED BY SUBSECTIONS (4) AND (5),
2 PERSONAL PROPERTY OWNED BY A CORPORATION INCORPORATED UNDER THIS
3 ACT WHOSE MEMBERSHIP POLICIES DO NOT VIOLATE THE ELLIOTT-LARSEN
4 CIVIL RIGHTS ACT, 1976 PA 453, MCL 37.2101 TO 37.2804, AND USED BY
5 THAT CORPORATION FOR NONPROFIT CHARITABLE PURPOSES IS EXEMPT FROM
6 THE COLLECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA
7 206, MCL 211.1 TO 211.157, IF THE CORPORATION APPLIES FOR AN
8 EXEMPTION UNDER THIS SUBSECTION ON A FORM PRESCRIBED BY THE
9 DEPARTMENT OF TREASURY AND THE GOVERNING BODY OF THE LOCAL TAX

1 COLLECTING UNIT IN WHICH THE CORPORATION IS LOCATED ADOPTS A
2 RESOLUTION TO EXEMPT THAT PERSONAL PROPERTY FROM THE COLLECTION OF
3 TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO
4 211.157. BEFORE ADOPTING A RESOLUTION UNDER THIS SUBSECTION, THE
5 CLERK OF THE LOCAL TAX COLLECTING UNIT SHALL NOTIFY IN WRITING THE
6 ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN WHICH THE CORPORATION
7 IS LOCATED AND THE LEGISLATIVE BODY OF EACH TAXING UNIT THAT LEVIES
8 AD VALOREM PROPERTY TAXES IN THE LOCAL TAX COLLECTING UNIT IN WHICH
9 THE CORPORATION IS LOCATED AND THE GOVERNING BODY OF THE LOCAL TAX
10 COLLECTING UNIT SHALL AFFORD THE ASSESSOR AND A REPRESENTATIVE OF
11 THE AFFECTED TAXING UNITS AN OPPORTUNITY FOR A HEARING. IF THE
12 GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT DOES NOT APPROVE OR
13 REJECT AN APPLICATION FOR AN EXEMPTION UNDER THIS SUBSECTION WITHIN
14 120 DAYS AFTER THE APPLICATION IS SUBMITTED, THE APPLICATION SHALL
15 BE CONSIDERED APPROVED.

16 (2) EXCEPT AS LIMITED BY SUBSECTIONS (4) AND (5), REAL
17 PROPERTY OWNED AND OCCUPIED BY A CORPORATION INCORPORATED UNDER
18 THIS ACT AND USED BY THAT CORPORATION FOR NONPROFIT CHARITABLE
19 PURPOSES IS EXEMPT FROM THE COLLECTION OF TAXES UNDER THE GENERAL
20 PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157, IF THE
21 CORPORATION APPLIES FOR AN EXEMPTION UNDER THIS SUBSECTION ON A
22 FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY AND THE GOVERNING
23 BODY OF THE LOCAL TAX COLLECTING UNIT IN WHICH THE CORPORATION IS
24 LOCATED ADOPTS A RESOLUTION TO EXEMPT THAT PERSONAL PROPERTY FROM
25 THE COLLECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA
26 206, MCL 211.1 TO 211.157. BEFORE ADOPTING A RESOLUTION UNDER THIS
27 SUBSECTION, THE CLERK OF THE LOCAL TAX COLLECTING UNIT SHALL NOTIFY

1 IN WRITING THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN WHICH
2 THE CORPORATION IS LOCATED AND THE LEGISLATIVE BODY OF EACH TAXING
3 UNIT THAT LEVIES AD VALOREM PROPERTY TAXES IN THE LOCAL TAX
4 COLLECTING UNIT IN WHICH THE CORPORATION IS LOCATED AND THE
5 GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT SHALL AFFORD THE
6 ASSESSOR AND A REPRESENTATIVE OF THE AFFECTED TAXING UNITS AN
7 OPPORTUNITY FOR A HEARING. IF THE GOVERNING BODY OF THE LOCAL TAX
8 COLLECTING UNIT DOES NOT APPROVE OR REJECT AN APPLICATION FOR AN
9 EXEMPTION UNDER THIS SUBSECTION WITHIN 120 DAYS AFTER THE
10 APPLICATION IS SUBMITTED, THE APPLICATION SHALL BE CONSIDERED
11 APPROVED.

12 (3) AN EXEMPTION UNDER SUBSECTION (1) OR (2) IS EFFECTIVE ON
13 THE DECEMBER 31 IMMEDIATELY SUCCEEDING THE SUBMISSION OF THE
14 APPLICATION FOR EXEMPTION BY THE CORPORATION UNDER SUBSECTION (1)
15 OR (2) IF THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT DOES
16 NOT APPROVE OR REJECT THAT APPLICATION FOR EXEMPTION OR ON THE
17 DECEMBER 31 IMMEDIATELY SUCCEEDING THE ADOPTION OF THE RESOLUTION
18 BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT. AN
19 EXEMPTION UNDER SUBSECTION (1) OR (2) SHALL CONTINUE IN EFFECT FOR
20 A PERIOD OF NOT LESS THAN 5 YEARS AND NOT MORE THAN 12 YEARS IF THE
21 GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT DOES NOT APPROVE OR
22 REJECT THAT APPLICATION FOR EXEMPTION OR FOR THE PERIOD OF TIME
23 SPECIFIED IN A RESOLUTION APPROVING AN EXEMPTION UNDER SUBSECTION
24 (1) OR (2). IF THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT
25 DOES NOT APPROVE OR REJECT AN APPLICATION FOR EXEMPTION UNDER
26 SUBSECTION (1) OR (2) AND THAT APPLICATION FOR EXEMPTION IS
27 CONSIDERED APPROVED, ANY SUBSEQUENT APPROVAL OF THAT APPLICATION

1 FOR EXEMPTION BY THE GOVERNING BODY OF THAT LOCAL TAX COLLECTING
2 UNIT SHALL BE FOR A PERIOD OF NOT LESS THAN 5 YEARS. A COPY OF THE
3 RESOLUTION SHALL BE FILED WITH THE STATE TAX COMMISSION.

4 (4) PROPERTY USED FOR COMMERCIAL OR FOR-PROFIT PURPOSES IS
5 PRESUMED NOT TO BE USED FOR NONPROFIT CHARITABLE PURPOSES.

6 (5) PROPERTY EXEMPT UNDER SUBSECTION (1) OR (2) IS NOT EXEMPT
7 FROM THE FOLLOWING TAXES:

8 (A) TAXES LEVIED FOR SCHOOL OPERATING PURPOSES UNDER SECTION
9 1211 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1211.

10 (B) TAXES LEVIED UNDER SECTION 3 OF THE STATE EDUCATION TAX
11 ACT, 1993 PA 331, MCL 211.903.