

# SENATE BILL No. 578

June 8, 2005, Introduced by Senator CASSIS and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 7u (MCL 211.7u), as amended by 2003 PA 140.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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

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

8           (a) Be an owner of and occupy as a principal residence the  
9 property for which an exemption is requested.

10           (b) File a claim with the supervisor or board of review on a

1 form provided by the local assessing unit, accompanied by federal  
2 and state income tax returns for all persons residing in the  
3 principal residence **WHO WERE REQUIRED TO FILE FEDERAL AND STATE**  
4 **INCOME TAX RETURNS**, including any property tax credit returns, **THAT**  
5 **WERE** filed in the immediately preceding year or in the current  
6 year. ~~The filing of~~ **FILING** a claim under this subsection  
7 constitutes an appearance before the board of review for the  
8 purpose of preserving the claimant's right to appeal the decision  
9 of the board of review regarding the claim.

10 (c) Produce a valid driver's license or other form of  
11 identification 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 guidelines updated annually in  
16 the federal register by the United States department of health and  
17 human services under authority of ~~section 673 of subtitle B of~~  
18 ~~title VI of the omnibus budget reconciliation act of 1981, Public~~  
19 ~~Law 97-35, 42 U.S.C. 9902~~ **42 USC 9902**, or alternative guidelines  
20 adopted by the governing body of the local assessing unit provided  
21 the alternative guidelines do not provide income eligibility  
22 requirements less than the federal guidelines.

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

26 (4) The governing body of the local assessing unit shall  
27 determine and make available to the public the policy and

1 guidelines the local assessing unit uses for the granting of  
2 exemptions under this section. The guidelines shall include but not  
3 be limited to the specific income and asset levels of the claimant  
4 and total household income and assets.

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

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

15 (7) As used in this section, "principal residence" means  
16 principal residence or qualified agricultural property as those  
17 terms are defined in section 7dd.