

STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2006

Introduced by Reps. Rick Jones, Robertson, Garfield, Wojno, Elsenheimer, Taub, Polidori, Hansen, Steil, Cushingberry, David Law, Schuitmaker, Ball, Moore, Kahn, Stakoe, Mortimer, Plakas, Newell, McDowell, Sheltroun, Shaffer, Hildenbrand, Pearce, Baxter, Farhat and Gleason

ENROLLED HOUSE BILL No. 5761

AN ACT 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:

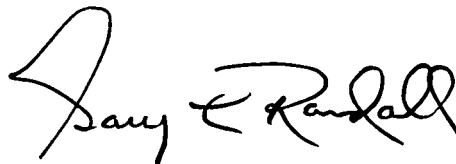
Sec. 4a. (1) Except as limited by subsections (4) and (5), personal property owned by a corporation incorporated under this act whose membership policies do not violate the Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2101 to 37.2804, and used by that corporation for nonprofit charitable purposes is exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, if the corporation applies for an exemption under this subsection on a form prescribed by the department of treasury and the governing body of the local tax collecting unit in which the corporation is located adopts a resolution to exempt that personal property from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. Before adopting a resolution under this subsection, the clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit in which the corporation is located and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit in which the corporation is located and the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. If the governing body of the local tax collecting unit does not approve or reject an application for an exemption under this subsection within 120 days after the application is submitted, the application shall be considered approved.

(2) Except as limited by subsections (4) and (5), real property owned and occupied by a corporation incorporated under this act and used by that corporation for nonprofit charitable purposes is exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, if the corporation applies for an exemption under this subsection on a form prescribed by the department of treasury and the governing body of the local tax collecting unit in which the corporation is located adopts a resolution to exempt that personal property from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. Before adopting a resolution under this subsection, the clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit in which the corporation is located and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit in which the corporation is located and the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. If the governing body of the local tax collecting unit does not approve or reject an application for an exemption under this subsection within 120 days after the application is submitted, the application shall be considered approved.

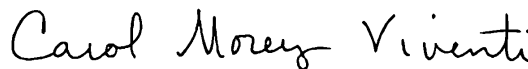
(3) An exemption under subsection (1) or (2) is effective on the December 31 immediately succeeding the submission of the application for exemption by the corporation under subsection (1) or (2) if the governing body of the local tax collecting unit does not approve or reject that application for exemption or on the December 31 immediately succeeding the adoption of the resolution by the governing body of the local tax collecting unit. An exemption under subsection (1) or (2) shall continue in effect for a period of not less than 5 years and not more than 12 years if the governing body of the local tax collecting unit does not approve or reject that application for exemption or for the period of time specified in a resolution approving an exemption under subsection (1) or (2). If the governing body of the local tax collecting unit does not approve or reject an application for exemption under subsection (1) or (2) and that application for exemption is considered approved, any subsequent approval of that application for exemption by the governing body of that local tax collecting unit shall be for a period of not less than 5 years. A copy of the resolution shall be filed with the state tax commission.

- (4) Property used for commercial or for-profit purposes is presumed not to be used for nonprofit charitable purposes.
- (5) Property exempt under subsection (1) or (2) is not exempt from the following taxes:
 - (a) Taxes levied for school operating purposes under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211.
 - (b) Taxes levied under section 3 of the state education tax act, 1993 PA 331, MCL 211.903.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor