

HOUSE BILL No. 6626

November 14, 2006, Introduced by Rep. Stakoe and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7d (MCL 211.7d), as amended by 1998 PA 469.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7d. (1) Housing owned and operated by a nonprofit
2 corporation or association, **BY A LIMITED DIVIDEND HOUSING**
3 **CORPORATION**, or by this state, a political subdivision of this
4 state, or an instrumentality of this state, for occupancy or use
5 solely by elderly or disabled families is exempt from the
6 collection of taxes under this act. For purposes of this section,
7 housing is considered occupied solely by elderly or disabled
8 families even if 1 or more of the units is occupied by service
9 personnel, such as a custodian or nurse.

1 (2) If a local tax collecting unit has a tax roll for
2 collection, and the tax roll contains taxes assessed against
3 property for which an exemption is claimed under this section, the
4 appropriate collecting officer shall prepare a statement on a form
5 prescribed by the department of management and budget describing
6 the property for which an exemption is claimed under this section,
7 the names and addresses of the corporation, ~~or~~ association, **OR**
8 **LIMITED DIVIDEND HOUSING CORPORATION** entitled to the exemption, the
9 total amount of taxes exempted, and the amount of taxes assessed
10 against the property. The local tax collecting unit shall forward
11 the statement to the department of management and budget. Upon
12 verification of the statement, the state treasurer shall draw his
13 or her warrant upon the state treasury for the total amount of tax
14 revenues lost by the local tax collecting unit as a result of the
15 exemption under this section as shown by the statement. After
16 examining the statement, the state treasurer shall forward the
17 warrants to the treasurer of the local tax collecting unit.

18 (3) The director of the department of management and budget
19 shall estimate the amount necessary to meet the expense of
20 administering the provisions of this section in each year, and the
21 legislature shall appropriate an amount sufficient to meet that
22 expense in each year.

23 (4) As used in this section:

24 (a) "Disabled person" means a person with disabilities.

25 (b) "Elderly or disabled families" means families consisting
26 of 2 or more persons if the head of the household, or his or her
27 spouse, is 62 years of age or over or is a disabled person, and

1 includes a single person who is 62 years of age or over or is a
2 disabled person.

3 (c) "Elderly person" means that term as defined in section 202
4 of title II of the housing act of 1959, Public Law 86-372, 12
5 ~~U.S.C.~~ **USC** 1701q.

6 (d) "Housing" means new or rehabilitated structures with 8 or
7 more residential units in 1 or more of the structures for occupancy
8 and use by elderly or disabled persons, including essential
9 contiguous land and related facilities as well as all personal
10 property of the corporation, ~~or~~ association, **OR LIMITED DIVIDEND**
11 **HOUSING CORPORATION** used in connection with the facilities.

12 (E) **"LIMITED DIVIDEND HOUSING CORPORATION" MEANS A CORPORATION**
13 **INCORPORATED OR QUALIFIED UNDER THE LAWS OF THIS STATE AND CHAPTER**
14 **6 OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, 1966 PA**
15 **346, MCL 125.1481 TO 125.1486, OR A LIMITED DIVIDEND HOUSING**
16 **ASSOCIATION ORGANIZED AND QUALIFIED UNDER CHAPTER 7 OF THE STATE**
17 **HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, 1966 PA 346, MCL**
18 **125.1491 TO 125.1496, THAT WILL REHABILITATE AND OWN A HOUSING**
19 **FACILITY OR PROJECT PREVIOUSLY QUALIFIED, BUILT, OR FINANCED UNDER**
20 **SECTION 202 OF TITLE II OF THE HOUSING ACT OF 1959, PUBLIC LAW 86-**
21 **372, 12 USC 1701Q, SECTION 236 OF TITLE II OF THE NATIONAL HOUSING**
22 **ACT, CHAPTER 847, 82 STAT. 498, 12 USC 1715Z-1, OR SECTION 811 OF**
23 **SUBTITLE B OF TITLE VIII OF THE CRANSTON-GONZALEZ NATIONAL**
24 **AFFORDABLE HOUSING ACT, PUBLIC LAW 101-625, 42 USC 8013.**

25 (F) ~~(e)~~ "Nonprofit corporation or association" means a
26 nonprofit corporation or association incorporated under the laws of
27 this state not otherwise exempt from the collection of taxes under

1 this act, operating a housing facility or project qualified, built,
2 or financed under section 202 of title II of the housing act of
3 1959, Public Law 86-372, 12 ~~U.S.C.~~ **USC** 1701q, section 236 of
4 title II of the national housing act, chapter 847, 82 Stat. 498, 12
5 ~~U.S.C.~~ **USC** 1715z-1, or section 811 of subtitle B of title VIII of
6 the Cranston-Gonzalez national affordable housing act, Public Law
7 101-625, 42 ~~U.S.C.~~ **USC** 8013.

8 (G) ~~(f)~~ "Person with disabilities" means that term as
9 defined in section 811 of subtitle B of title VIII of the Cranston-
10 Gonzalez national affordable housing act, Public Law 101-625, 42
11 ~~U.S.C.~~ **USC** 8013.

12 (H) ~~(g)~~ "Residential units" includes 1-bedroom units
13 licensed under the adult foster care facility licensing act, 1979
14 PA 218, MCL 400.701 to 400.737, for persons who share dining,
15 living, and bathroom facilities and who have a mental illness,
16 developmental disability, or a physical ~~handicap~~ **DISABILITY**, as
17 those terms are defined in the adult foster care facility licensing
18 act, 1979 PA 218, MCL 400.701 to 400.737, or individual self-
19 contained dwellings in an unlicensed facility. At the time of
20 construction or rehabilitation, both self-contained dwellings and
21 1-bedroom units must be financed ~~under~~ either **UNDER** section 202
22 of title II of the housing act of 1959, Public Law 86-372, 12
23 ~~U.S.C.~~ **USC** 1701q, or under section 811 of subtitle B of title VIII
24 of the Cranston-Gonzalez national affordable housing act, Public
25 Law 101-625, 42 ~~U.S.C.~~ **USC** 8013.