

SUBSTITUTE FOR
HOUSE BILL NO. 5437

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7nn.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7NN. (1) BEGINNING DECEMBER 31, 2008, SUPPORTIVE HOUSING
2 PROPERTY IS EXEMPT FROM THE TAX LEVIED BY A LOCAL SCHOOL DISTRICT
3 FOR SCHOOL OPERATING PURPOSES TO THE EXTENT PROVIDED UNDER SECTION
4 1211 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1211, IF AN
5 OWNER OF THAT SUPPORTIVE HOUSING PROPERTY CLAIMS AN EXEMPTION AS
6 PROVIDED IN THIS SECTION.

7 (2) AN OWNER OF SUPPORTIVE HOUSING PROPERTY MAY CLAIM AN
8 EXEMPTION UNDER THIS SECTION BY FILING AN AFFIDAVIT ON OR BEFORE
9 DECEMBER 31 WITH THE LOCAL TAX COLLECTING UNIT IN WHICH THE
10 SUPPORTIVE HOUSING PROPERTY IS LOCATED. THE AFFIDAVIT SHALL STATE
11 THAT THE PROPERTY IS OWNED AND OCCUPIED AS SUPPORTIVE HOUSING

1 PROPERTY ON THE DATE THAT THE AFFIDAVIT IS SIGNED. THE AFFIDAVIT
2 SHALL BE ON A FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. ONE
3 COPY OF THE AFFIDAVIT SHALL BE RETAINED BY THE OWNER, 1 COPY SHALL
4 BE RETAINED BY THE LOCAL TAX COLLECTING UNIT UNTIL ANY APPEAL OR
5 AUDIT PERIOD UNDER THIS ACT HAS EXPIRED, AND 1 COPY SHALL BE
6 FORWARDED TO THE DEPARTMENT OF TREASURY.

7 (3) UPON RECEIPT OF AN AFFIDAVIT FILED UNDER SUBSECTION (2)
8 AND UNLESS THE CLAIM IS DENIED UNDER THIS SECTION, THE ASSESSOR
9 SHALL EXEMPT THE SUPPORTIVE HOUSING PROPERTY FROM THE COLLECTION OF
10 THE TAX LEVIED BY A LOCAL SCHOOL DISTRICT FOR SCHOOL OPERATING
11 PURPOSES TO THE EXTENT PROVIDED UNDER SECTION 1211 OF THE REVISED
12 SCHOOL CODE, 1976 PA 451, MCL 380.1211, AS PROVIDED IN SUBSECTION
13 (1) UNTIL DECEMBER 31 OF THE YEAR IN WHICH THE PROPERTY IS NO
14 LONGER SUPPORTIVE HOUSING PROPERTY.

15 (4) NOT MORE THAN 90 DAYS AFTER EXEMPTED PROPERTY IS NO LONGER
16 SUPPORTIVE HOUSING PROPERTY, AN OWNER SHALL RESCIND THE CLAIM OF
17 EXEMPTION BY FILING WITH THE LOCAL TAX COLLECTING UNIT A RESCISSION
18 FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. AN OWNER WHO FAILS
19 TO FILE A RESCISSION AS REQUIRED BY THIS SUBSECTION IS SUBJECT TO A
20 PENALTY OF \$5.00 PER DAY FOR EACH SEPARATE FAILURE BEGINNING AFTER
21 THE 90 DAYS HAVE ELAPSED, UP TO A MAXIMUM OF \$200.00. THIS PENALTY
22 SHALL BE COLLECTED UNDER 1941 PA 122, MCL 205.1 TO 205.31, AND
23 SHALL BE DEPOSITED IN THE STATE SCHOOL AID FUND ESTABLISHED IN
24 SECTION 11 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963. THIS
25 PENALTY MAY BE WAIVED BY THE DEPARTMENT OF TREASURY.

26 (5) IF THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT BELIEVES
27 THAT THE PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED IS NOT

1 SUPPORTIVE HOUSING PROPERTY, THE ASSESSOR MAY DENY A NEW OR
2 EXISTING CLAIM BY NOTIFYING THE OWNER AND THE DEPARTMENT OF
3 TREASURY IN WRITING OF THE REASON FOR THE DENIAL AND ADVISING THE
4 OWNER THAT THE DENIAL MAY BE APPEALED TO THE STATE TAX COMMISSION
5 WITHIN 35 DAYS AFTER THE DATE OF THE NOTICE. THE ASSESSOR MAY DENY
6 A CLAIM FOR EXEMPTION FOR THE CURRENT YEAR AND FOR THE 3
7 IMMEDIATELY PRECEDING CALENDAR YEARS. IF THE ASSESSOR DENIES AN
8 EXISTING CLAIM FOR EXEMPTION, THE ASSESSOR SHALL REMOVE THE
9 EXEMPTION OF THE PROPERTY AND, IF THE TAX ROLL IS IN THE LOCAL TAX
10 COLLECTING UNIT'S POSSESSION, AMEND THE TAX ROLL TO REFLECT THE
11 DENIAL AND THE LOCAL TREASURER SHALL WITHIN 30 DAYS OF THE DATE OF
12 THE DENIAL ISSUE A CORRECTED TAX BILL FOR ANY ADDITIONAL TAXES WITH
13 INTEREST AND PENALTIES COMPUTED FROM THE DATE THE TAXES WERE LAST
14 PAYABLE WITHOUT INTEREST OR PENALTY. IF THE TAX ROLL IS IN THE
15 COUNTY TREASURER'S POSSESSION, THE TAX ROLL SHALL BE AMENDED TO
16 REFLECT THE DENIAL AND THE COUNTY TREASURER SHALL WITHIN 30 DAYS OF
17 THE DATE OF THE DENIAL PREPARE AND SUBMIT A SUPPLEMENTAL TAX BILL
18 FOR ANY ADDITIONAL TAXES, TOGETHER WITH INTEREST AND PENALTIES
19 COMPUTED FROM THE DATE THE TAXES WERE LAST PAYABLE WITHOUT INTEREST
20 OR PENALTY. TAXES LEVIED IN A CORRECTED OR SUPPLEMENTAL TAX BILL
21 SHALL BE RETURNED AS DELINQUENT ON THE MARCH 1 IN THE YEAR
22 IMMEDIATELY SUCCEEDING THE YEAR IN WHICH THE CORRECTED OR
23 SUPPLEMENTAL TAX BILL IS ISSUED. HOWEVER, IF THE PROPERTY HAS BEEN
24 TRANSFERRED TO A BONA FIDE PURCHASER BEFORE ADDITIONAL TAXES WERE
25 BILLED TO THE SELLER AS A RESULT OF THE DENIAL OF A CLAIM FOR
26 EXEMPTION, THE TAXES, INTEREST, AND PENALTIES SHALL NOT BE A LIEN
27 ON THE PROPERTY AND SHALL NOT BE BILLED TO THE BONA FIDE PURCHASER,

1 AND THE LOCAL TAX COLLECTING UNIT IF THE LOCAL TAX COLLECTING UNIT
2 HAS POSSESSION OF THE TAX ROLL OR THE COUNTY TREASURER IF THE
3 COUNTY HAS POSSESSION OF THE TAX ROLL SHALL NOTIFY THE DEPARTMENT
4 OF TREASURY OF THE AMOUNT OF TAX DUE, INTEREST, AND PENALTIES
5 THROUGH THE DATE OF THAT NOTIFICATION. THE DEPARTMENT OF TREASURY
6 SHALL THEN ASSESS THE OWNER WHO CLAIMED THE EXEMPTION UNDER THIS
7 SECTION FOR THE TAX, INTEREST, AND PENALTIES ACCRUING AS A RESULT
8 OF THE DENIAL OF THE CLAIM FOR EXEMPTION, IF ANY, AS FOR UNPAID
9 TAXES PROVIDED UNDER 1941 PA 122, MCL 205.1 TO 205.31, AND SHALL
10 DEPOSIT ANY TAX, PENALTY, AND INTEREST COLLECTED INTO THE STATE
11 SCHOOL AID FUND. THE DENIAL SHALL BE MADE ON A FORM PRESCRIBED BY
12 THE DEPARTMENT OF TREASURY.

13 (6) THE DEPARTMENT OF TREASURY SHALL MAKE AVAILABLE THE
14 AFFIDAVIT FORMS AND THE FORMS TO RESCIND AN EXEMPTION, WHICH MAY BE
15 ON THE SAME FORM, TO ALL CITY AND TOWNSHIP ASSESSORS, COUNTY
16 EQUALIZATION OFFICERS, COUNTY REGISTERS OF DEEDS, AND CLOSING
17 AGENTS.

18 (7) AS USED IN THIS SECTION, "SUPPORTIVE HOUSING PROPERTY"
19 MEANS REAL PROPERTY CERTIFIED AS SUPPORTIVE HOUSING PROPERTY UNDER
20 CHAPTER 3B OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966,
21 1966 PA 346, MCL 125.1459 TO 125.1459B.

22 Enacting section 1. This amendatory act does not take effect
23 unless all of the following bills of the 94th Legislature are
24 enacted into law:

25 (a) House Bill No. 6492.

26 (b) House Bill No. 6493.