

HOUSE JOINT RESOLUTION III

July 23, 2008, Introduced by Rep. LeBlanc and referred to the Committee on Tax Policy.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 3 of article IX, to limit the increase in taxable value of real property under certain circumstances.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to limit the increase in taxable value of real property under certain circumstances, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 3. The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operating

1 purposes. The legislature shall provide for the determination of
2 true cash value of such property; the proportion of true cash value
3 at which such property shall be uniformly assessed, which shall
4 not, after January 1, 1966, exceed 50 percent; and for a system of
5 equalization of assessments. For taxes levied in 1995 and each year
6 thereafter, the legislature shall provide that the taxable value of
7 each parcel of property adjusted for additions and losses, shall
8 not increase each year by more than the increase in the immediately
9 preceding year in the general price level, as defined in section 33
10 of this article, or 5 percent, whichever is less until ownership of
11 the parcel of property is transferred. **HOWEVER, FOR TAXES LEVIED**
12 **AFTER 2008, THE LEGISLATURE SHALL PROVIDE THAT IF A PROPERTY'S**
13 **ASSESSED VALUE HAS INCREASED BY LESS THAN BOTH THE GENERAL PRICE**
14 **LEVEL AND 5 PERCENT OR IF A PROPERTY'S ASSESSED VALUE HAS**
15 **DECREASED, ADJUSTED FOR ADDITIONS AND LOSSES, THE PROPERTY'S**
16 **TAXABLE VALUE IN THE IMMEDIATELY SUCCEEDING YEAR SHALL INCREASE OR**
17 **DECREASE BY THAT SAME PERCENTAGE INCREASE OR DECREASE IN THE**
18 **PROPERTY'S ASSESSED VALUE.** When ownership of the parcel of property
19 is transferred as defined by law, the parcel shall be assessed at
20 the applicable proportion of current true cash value. The
21 legislature may provide for alternative means of taxation of
22 designated real and tangible personal property in lieu of general
23 ad valorem taxation. Every tax other than the general ad valorem
24 property tax shall be uniform upon the class or classes on which it
25 operates. A law that increases the statutory limits in effect as of
26 February 1, 1994 on the maximum amount of ad valorem property taxes
27 that may be levied for school district operating purposes requires

1 the approval of 3/4 of the members elected to and serving in the
2 Senate and in the House of Representatives.

3 Resolved further, That the foregoing amendment shall be
4 submitted to the people of the state at the next general election
5 in the manner provided by law.