

HOUSE BILL No. 4676

March 24, 2009, Introduced by Reps. Kurtz, Proos, Pavlov, Caul, Elsenheimer, Pearce, Paul Scott, Daley, Moore, Rick Jones, Bolger, Crawford, Polidori, Terry Brown, Stanley, Bledsoe, Durhal, Liss, Lund and Opsommer and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7kk (MCL 211.7kk), as added by 2006 PA 612.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7kk. (1) ~~The governing body of a local tax collecting~~
2 ~~unit may adopt a resolution to exempt from the collection of taxes~~
3 ~~under this act eligible~~ **ELIGIBLE** nonprofit housing property **IS**
4 **EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT AS PROVIDED IN**
5 **THIS SECTION.** ~~The clerk of the local tax collecting unit shall~~
6 ~~notify in writing the assessor of the local tax collecting unit and~~
7 ~~the legislative body of each taxing unit that levies ad valorem~~
8 ~~property taxes in the local tax collecting unit. Before acting on~~
9 ~~the resolution, the governing body of the local tax collecting unit~~

1 ~~shall afford the assessor and a representative of the affected~~
2 ~~taxing units an opportunity for a hearing.~~

3 (2) The exemption under this section is effective on the
4 December 31 immediately succeeding ~~the adoption of the resolution~~
5 ~~by the governing body of the local tax collecting unit or the~~
6 issuance of a building permit for the eligible nonprofit housing
7 property. ~~, whichever is later.~~ The exemption under this section
8 shall continue in effect for 2 years, until the eligible nonprofit
9 housing property is occupied by a low-income person under a lease
10 agreement, or until there is a transfer of ownership of the
11 eligible nonprofit housing property, whichever occurs first. ~~A copy~~
12 ~~of the resolution shall be filed with the state tax commission.~~

13 (3) As used in this section:

14 (a) "Charitable nonprofit housing organization" means a
15 charitable nonprofit organization the primary purpose of which is
16 the construction or renovation of residential housing for
17 conveyance to a low-income person.

18 (b) "Eligible nonprofit housing property" means a single
19 family dwelling or duplex owned by a charitable nonprofit housing
20 organization, the ownership of which the charitable nonprofit
21 housing organization intends to transfer to a low-income person
22 after construction or renovation of the single family dwelling or
23 duplex is completed to be used as that low-income person's
24 principal residence.

25 (c) "Family income" and "statewide median gross income" mean
26 those terms as defined in section 11 of the state housing
27 development authority act of 1966, 1966 PA 346, MCL 125.1411.

1 (d) "Low-income person" means a person with a family income of
2 not more than 80% of the statewide median gross income who is
3 eligible to participate in the charitable nonprofit housing
4 organization's program based on criteria established by the
5 charitable nonprofit housing organization.

6 (e) "Principal residence" means property exempt as a principal
7 residence under section 7cc.