

HOUSE BILL NO. 5134

October 12, 2023, Introduced by Reps. DeSana and Smit and referred to the Committee on Tax Policy.

A bill to provide for the exemption of certain property from certain taxes; to levy and collect a specific tax on the owners of certain property; to provide for the disposition of the tax; to prescribe the powers and duties of certain state and local governmental officers and entities; and to provide penalties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "senior citizens
2 principal residence specific tax act".

3 Sec. 2. As used in this act:

1 (a) "Commission" means the state tax commission created by
2 1927 PA 360, MCL 209.101 to 209.107.

3 (b) "Principal residence" means that term as defined in
4 section 7dd of the general property tax act, 1893 PA 206, MCL
5 211.7dd.

6 (c) "Senior citizen" means an individual who owns and occupies
7 a principal residence in this state and is at least 65 years old.

8 (d) "Taxable value" means the taxable value as determined
9 under section 27a of the general property tax act, 1893 PA 206, MCL
10 211.27a.

11 Sec. 3. For taxes levied after December 31, 2023, property
12 owned and occupied as a principal residence by a senior citizen is
13 exempt from ad valorem property taxes collected under the general
14 property tax act, 1893 PA 206, MCL 211.1 to 211.155, as provided in
15 section 7yy of the general property tax act, 1893 PA 206, MCL
16 211.7yy.

17 Sec. 4. The assessor of each local tax collecting unit in
18 which there is property owned and occupied as a principal residence
19 by a senior citizen shall determine annually as of December 31 the
20 value and taxable value of that property.

21 Sec. 5. (1) There is levied on the owner of every principal
22 residence owned and occupied by a senior citizen a specific tax to
23 be known as the senior citizens principal residence specific tax.

24 (2) The amount of the senior citizens principal residence
25 specific tax in each year is equal to 50% of the amount determined
26 by multiplying the property's taxable value by the number of mills
27 that would be assessed in the local tax collecting unit if the
28 property were subject to the collection of taxes under the general
29 property tax act, 1893 PA 206, MCL 211.1 to 211.155, and if the

1 property was exempt as provided under section 7cc of the general
2 property tax act, 1893 PA 206, MCL 211.7cc.

3 (3) The senior citizens principal residence specific tax is an
4 annual tax, payable at the same times, in the same installments,
5 and to the same collecting officer or officers as taxes collected
6 under the general property tax act, 1893 PA 206, MCL 211.1 to
7 211.155.

8 (4) The collecting officer or officers shall disburse the
9 senior citizens principal residence specific tax to and among this
10 state and cities, townships, villages, school districts, counties,
11 or other taxing units, at the same times and in the same
12 proportions as required by law for the disbursement of taxes
13 collected under the general property tax act, 1893 PA 206, MCL
14 211.1 to 211.155.

15 (5) The collecting officer or officers shall send a copy of
16 the amount of disbursement made to each taxing unit under this
17 section to the commission on a form provided by the commission.

18 Sec. 6. Unpaid senior citizens principal residence specific
19 taxes are subject to forfeiture, foreclosure, and sale in the same
20 manner and at the same time as taxes returned as delinquent under
21 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

22 Enacting section 1. This act does not take effect unless
23 Senate Bill No. ____ or House Bill No. 5133 (request no. 03046'23)
24 of the 102nd Legislature is enacted into law.