

HOUSE BILL No. 5195

September 27, 1991, Introduced by Reps. Willis Bullard, Middleton, Bartnik, Middaugh, Shugars, Gnodtke, Sikkema, Strand, Walberg, Jaye, Dobb, London, DeMars, Bodem and DeBeaussiaert and referred to the Committee on Taxation.

A bill to amend Act No. 206 of the Public Acts of 1893, entitled as amended

"The general property tax act,"

as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws, by adding section 27b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 206 of the Public Acts of 1893, as
2 amended, being sections 211.1 to 211.157 of the Michigan Compiled
3 Laws, is amended by adding section 27b to read as follows:

4 SEC. 27B. (1) THE TAX LEVIED UNDER THIS ACT EACH YEAR ON
5 THE HOMESTEAD OF A TAXPAYER WHO IS 60 YEARS OF AGE OR OLDER AND
6 WHO HAS A HOUSEHOLD INCOME OF \$83,650.00 OR LESS SHALL BE DETER-
7 MINED USING THE STATE EQUALIZED VALUATION OF THE PROPERTY FROM
8 THE YEAR IN WHICH THE TAXPAYER BECAME 60 YEARS OLD OR 1991,
9 WHICHEVER IS LATER, UNTIL THE TAXPAYER OR THE TAXPAYER'S SPOUSE

1 NO LONGER USES THE PROPERTY AS A HOMESTEAD OR THE PROPERTY IS
2 SOLD.

3 (2) THE PROPERTY SHALL CONTINUE TO BE ASSESSED EACH YEAR AS
4 PROVIDED UNDER THIS ACT, BUT THE TAX BILL SHALL BE ADJUSTED TO
5 REFLECT THE USE OF THE STATE EQUALIZED VALUATION PROVIDED FOR IN
6 SUBSECTION (1). WHEN THE PROPERTY IS NO LONGER USED AS A HOME-
7 STEAD OR IS SOLD, THE TAX BILL SHALL BE BASED ON THE MOST CURRENT
8 ASSESSMENT AS EQUALIZED.

9 (3) THE MAXIMUM HOUSEHOLD INCOME LEVEL PROVIDED FOR IN
10 SUBSECTION (1) SHALL BE ADJUSTED EACH YEAR BY THE INCREASE OR
11 DECREASE IN THE CONSUMER PRICE INDEX IN THE IMMEDIATELY PRECEDING
12 CALENDAR YEAR AS REPORTED BY THE UNITED STATES DEPARTMENT OF
13 LABOR.

14 (4) THE LEGISLATURE SHALL PROVIDE EACH YEAR FOR THE REIM-
15 BURSEMENT OF EACH LOCAL GOVERNMENTAL UNIT FOR THE AMOUNT OF REVE-
16 NUE LOST DUE TO THE OPERATION OF THIS SECTION.