

Legislative Analysis



MODIFY PROPERTY TAX EXEMPTION FOR DISABLED VETERANS

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<http://www.house.mi.gov/hfa>

House Bill 4851 as introduced
Sponsor: Rep. Michele Hoytenga
Committee: Local Government and Municipal Finance
Complete to 10-2-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4851 would amend the General Property Tax Act to allow the tax exemption for disabled veterans to remain in effect until December 30 of the year the property no longer qualifies for the exemption. (Essentially, this would allow disabled veterans to file for the exemption once rather than having to file every year.) The bill would also define errors made in the assessment of this exemption as qualified errors for purposes of the act.

Specifically, the bill would allow the disabled veteran general property tax exemption to remain in effect until December 30 of the year in which the property no longer qualified for the exemption. If a parcel no longer qualified for the exemption, the property owner or his or her legal designee would have to notify the supervisor or other assessing officer of the loss of exempt status in a time and manner prescribed by the State Tax Commission. While the exemption remained in effect, the respective local taxing unit would bear the loss of its portion of the taxes on which the exemption had been granted.

House Bill 4851 would also amend the act's definition of *qualified error* to include errors made in the denial of a claim of exemption for a homestead under disabled veteran status, or a failure to consider a claim of the exemption, resulting from the failure of a local tax collecting unit to process a timely and sufficient filing for the disabled veteran exemption. A *qualified error* is an error made in the assessment of a real property's taxable value that may be appealed by the property owner before the relevant deadline.

MCL 211.7b and 211.53b

FISCAL IMPACT:

As written, the bill would have no impact on state or local revenue but could potentially reduce local administrative costs by a small amount.

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