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PRINCIPAL RESIDENCE EXEMPTION ERRORS

House Bill 4222
Sponsor: Rep. Chris Kolb
Committee: Tax Policy

Complete to 8-26-03

A SUMMARY OF HOUSE BILL 4222 AS INTRODUCED 2-13-03

The bill would amend the General Property Tax Act to provide that if a homestead property tax exemption (to be called a “principal residence” exemption as of January 1, 2004) is erroneously granted as a result of an error by the assessor or treasurer of the local tax collecting unit, the property that had been subject to the exemption would be immediately placed on the tax roll by the local tax collecting unit or the county treasurer as if the exemption had not been granted. A corrected tax bill would then be issued, and if the property owner pays the corrected bill within 30 days after the bill is issued, the owner would not be liable for any penalty or interest on the additional tax owed. If the owner does not pay the corrected bill within 30 days, he or she would be liable for any penalties and interest that would have accrued had the exemption not been granted from the date the taxes were originally levied.

[Note: Public Act 140 of 2003 amended the section of the act on which the bill is based, by changing references to “homestead” to references to “principal residence”. Public Act 140 takes effect on January 1, 2004.]

MCL 211.7cc

House Bill 4222 (8-26-03)

Analyst: M. Wolf

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.