



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 6437 (Substitute S-2 as reported)
Sponsor: Representative Joan Bauer
House Committee: Tax Policy
Senate Committee: Finance

CONTENT

The bill would amend the General Property Tax Act to increase from 400 to 480 acres the amount of real property owned by a Boy or Girl Scout or Camp Fire Girls organization, a 4-H Club or foundation, or a Young Men's Christian Association or Young Women's Christian Association that may be exempt from taxation under the Act, if the organization meets the membership requirements of the Act. If an organization reorganized, merged, affiliated, or in some other manner consolidated with another Boy or Girl Scout or Camp Fire Girls organization, 4-H Club or foundation, or YMCA or YWCA after December 30, 2007, the total exemption available to the consolidated or surviving entity would be 480 acres times the number of individual Boy or Girl Scout or Camp Fire Girls organizations, 4-H Clubs or foundations, or YMCAs or YWCAs that took part in the reorganization, merger, affiliation, or consolidation.

Currently, up to 400 acres of land in this State owned by a Boy or Girl Scout or Camp Fire Girls organization, a 4-H Club or foundation, or a YMCA or YWCA is exempt from the general property tax, if at least 50% of the members of the association or organization are residents of this State. Upon petition of the association or organization, the county board of commissioners may waive the residence requirement while the property is occupied by the association or organization solely for the purpose for which it was incorporated or established.

Under the bill, the current exemption would apply before December 31, 2008. After that date, the new exemption would apply.

MCL 211.7q

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The bill would have a small negative impact on property tax revenue. Based on preliminary information, approximately 10 Boy Scout councils and YMCAs currently own more than 400 acres, and therefore would realize a property tax reduction under this bill. Increasing the exemption from 400 acres to 480 acres would reduce the property tax revenue for the local governments and school districts in which this land is located. In addition, the State School Aid Fund would experience a reduction in State education property tax revenue and an increase in State aid payments to the affected local school districts. It is estimated that these reductions in property tax revenue and increases in School Aid payments would total less than \$0.2 million.

Date Completed: 12-8-08

Fiscal Analyst: Jay Wortley

[floor\hb6437](#)

Analysis available @ <http://www.michiganlegislature.org>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.