

SENATE BILL NO. 163

March 09, 2023, Introduced by Senators BELLINO, RUNESTAD, LINDSEY and CAVANAGH
and referred to the Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7b (MCL 211.7b), as amended by 2013 PA 161.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7b. (1) Real property used and owned as a homestead by a
2 ~~disabled veteran who was discharged from the armed forces of the~~
3 ~~United States under honorable conditions or by an individual~~
4 ~~described in subsection (2)~~ **either of the following individuals** is
5 exempt from the collection of taxes under this act: -

6 **(a) A disabled veteran.**

1 (b) A surviving spouse of a disabled veteran who, immediately
2 before death, was eligible for the exemption under this section. An
3 exemption under this subdivision continues as long as the surviving
4 spouse does not remarry, and the exemption applies to any property
5 used and owned as a homestead by the surviving spouse, including
6 homestead property acquired after the decedent's death.

7 (2) To obtain the exemption, **an individual described in**
8 **subsection (1) (a) or (b), or the individual's legal designee, must**
9 **file** an affidavit showing the facts required by this section and a
10 description of the real property ~~shall be filed by the property~~
11 ~~owner or his or her legal designee with the supervisor or other~~
12 ~~assessing officer during the period beginning with the tax day for~~
13 ~~each year and ending at the time of the final adjournment of the~~
14 ~~local board of review. The affidavit when filed shall be~~ **is** open to
15 inspection. The county treasurer shall cancel taxes subject to
16 collection under this act for any year in which ~~a disabled veteran~~
17 **an individual described in subsection (1) (a) or (b) who is** eligible
18 for the exemption under this section has acquired title to real
19 property exempt under this section. Upon granting the exemption
20 under this section, each local taxing unit shall bear the loss of
21 its portion of the taxes upon which the exemption has been granted.

22 ~~(2) If a disabled veteran who is otherwise eligible for the~~
23 ~~exemption under this section dies, either before or after the~~
24 ~~exemption under this section is granted, the exemption shall remain~~
25 ~~available to or shall continue for his or her unremarried surviving~~
26 ~~spouse. The surviving spouse shall comply with the requirements of~~
27 ~~subsection (1) and shall indicate on the affidavit that he or she~~
28 ~~is the surviving spouse of a disabled veteran entitled to the~~
29 ~~exemption under this section. The exemption shall continue as long~~

1 ~~as the surviving spouse remains unremarried.~~

2 (3) As used in this section: ~~—"disabled~~

3 (a) **"Disabled veteran"** means a ~~person~~**veteran** who is a
4 resident of this state and who meets 1 of the following criteria:

5 (i) ~~(a)~~ Has been determined by the United States ~~department of~~
6 ~~veterans affairs~~**Department of Veterans Affairs** to be permanently
7 and totally disabled as a result of military service and entitled
8 to veterans' benefits at the 100% rate.

9 (ii) ~~(b)~~ Has a certificate from the United States ~~veterans'~~
10 ~~administration, or its successors,~~**Department of Veterans Affairs**
11 certifying that ~~he or she~~**the veteran** is receiving or has received
12 pecuniary assistance due to disability for specially adapted
13 housing.

14 (iii) ~~(c)~~ Has been rated by the United States ~~department of~~
15 ~~veterans affairs~~**Department of Veterans Affairs** as individually
16 unemployable.

17 (b) **"Veteran"** means an individual who served in the United
18 **States Armed Forces and was discharged under honorable conditions.**

19 Enacting section 1. This amendatory act is curative and
20 intended to prevent any misinterpretation that may result from the
21 Michigan court of appeals in *Lockhart v Ontonagon Twp*, No. 356883
22 (May 19, 2022) regarding the claim of a surviving spouse of a
23 deceased disabled veteran for a property tax exemption under
24 section 7b of the general property tax act, 1893 PA 206, MCL
25 211.7b, as to homestead property not owned by the decedent before
26 the decedent's death.