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The Right Advice.

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Obtaining Property Tax Exemption

For Property You Own



The Big Picture

Why This Is An Issue

Property Tax Exemption Law

- MCLA Section 211.7o(1)
- MCLA Section 211.7o(5)

Handouts

- Model Language for Articles of Incorporation and Bylaws
- Model Brief

Practical Suggestions



Why This Is An Issue

Proposal A – State Collects 24 mills on non-PRE property

Declining State Tax Revenues

State Tax Commission Intervention In Charitable Exemption Cases

Adverse Rulings from State Tax Tribunal in Charitable Exemption Cases



Property Tax Exemption Law

MCLA 211.7o of the General Property Tax Act contains exemptions for nonprofit charitable institutions

- MCLA 211.7o(1) – General exemption for nonprofit charitable institutions
- MCLA 211.7o(5) – Exemption specific to qualified conservation organizations



Property Tax Exemption Law

Only general property taxes are exempt

- Property is still subject to special assessments
- Burden is on the taxpayer to prove the property is entitled to exemption



Property Tax Exemption Law

MCLA Section 7o(1): “Real or personal property owned and occupied by a nonprofit charitable institution while occupied by that nonprofit charitable institution solely for the purposes for which that nonprofit charitable institution was incorporated is exempt from the collection of taxes under this act.”



Property Tax Exemption Law

“It depends on what the meaning of ‘is’ is.”

William Jefferson Clinton



Property Tax Exemption Law

MCLA Section 7o(1): “Real or personal property **owned** and **occupied** by a **nonprofit charitable institution** while **occupied** by that nonprofit charitable institution **solely** for the **purposes** for which that nonprofit charitable institution was **incorporated** is exempt from the collection of taxes under this act.”

Property Tax Exemption Law



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