

ELDER LAW & DISABILITY RIGHTS SECTION

Respectfully submits the following position on:

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HB 4930

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The Elder Law & Disability Rights Section is not the State Bar of Michigan itself, but rather a Section which members of the State Bar choose voluntarily to join, based on common professional interest.

The position expressed is that of the Elder Law & Disability Rights Section only and is not the position of the State Bar of Michigan.

To date, the State Bar does not have a position on this matter.

The total membership of the Elder Law & Disability Rights Section is 1,283.

The position was adopted after discussion and vote at a scheduled meeting. The number of members in the decision-making body is 22. The number who voted in favor to this position was 17. The number who voted opposed to this position was 0.

Report on Public Policy Position**Name of section:**

Elder Law & Disability Rights Section

Contact person:

John B. Payne

E-Mail:

ipayne@law-business.com

Bill Number:

[HB 4930](#) (Nesbitt) Property tax; assessments; definition of transfer of ownership; exclude certain transfers. Amends sec. 27a of [1893 PA 206](#) (MCL [211.27a](#)).

Date position was adopted:

December 5, 2015

Process used to take the ideological position:

Position adopted after discussion and vote at a scheduled meeting.

Number of members in the decision-making body:

22

Number who voted in favor and opposed to the position:

17 Voted for position

0 Voted against position

0 Abstained from vote

5 Did not vote (absent)

Position:

Oppose with Recommended Amendments

Explanation of the position, including any recommended amendments:

The ELDRS Council opposes HB 4930 because it does not represent a coordinated approach to the amendments of that subsection, does not deal with life estate termination issue, and does not coordinate the 'no commercial purpose' language with MCL 211.34(c). The Council further supports proposed substitute language for HB 4930 as follows:

MCL 211.27a(7)(c) proposed revision with proposed deletions in brackets and proposed additions in capital letters:

(7) Transfer of ownership does not include the following:

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(c) A transfer {of that portion} of property subject to a life estate or life lease retained by the transferor,

until expiration or termination of the life estate or life lease. {That portion of property transferred that is not subject to a life lease shall be adjusted under subsection (3).} HOWEVER, BEGINNING ON DECEMBER 31, 2014, THE EXPIRATION OR TERMINATION OF THE LIFE ESTATE OR LIFE LEASE IS ALSO NOT A TRANSFER OF OWNERSHIP IF EITHER OF THE FOLLOWING IS TRUE:

- (i) THE TRANSFEREE IS THE TRANSFEROR'S SPOUSE, OR IS A TRUST AND THE SOLE PRESENT BENEFICIARY IS THE TRANSFEROR'S SPOUSE.
- (ii) THE PROPERTY IS RESIDENTIAL PROPERTY AND THE TRANSFEREE IS THE TRANSFEROR'S OR TRANSFEROR'S SPOUSE'S MOTHER, FATHER, BROTHER, SISTER, SON, DAUGHTER, ADOPTED SON, ADOPTED DAUGHTER, GRANDSON OR GRANDDAUGHTER, OR IS 1 OR MORE OF THESE INDIVIDUALS, OR IS A TRUST AND THE SOLE PRESENT BENEFICIARY OR BENEFICIARIES ARE 1 OR MORE OF THESE INDIVIDUALS, FOR SO LONG AS THE RESIDENTIAL REAL PROPERTY CLASSIFICATION UNDER SECTION 34C DOES NOT CHANGE FOLLOWING THE CONVEYANCE. UPON REQUEST BY THE DEPARTMENT OF TREASURY OR THE ASSESSOR, A TRANSFEREE SHALL FURNISH PROOF WITHIN 30 DAYS THAT THE TRANSFEREE MEETS THE REQUIREMENTS OF THIS SUBPARAGRAPH. IF A TRANSFEREE FAILS TO COMPLY WITH A REQUEST BY THE DEPARTMENT OF TREASURY OR ASSESSOR UNDER THIS SUBPARAGRAPH, THAT TRANSFEREE IS SUBJECT TO A FINE OF \$200.00.

The text of any legislation, court rule, or administrative regulation that is the subject of or referenced in this report.

<http://legislature.mi.gov/doc.aspx?2015-HB-4930>