

**HOUSE STANDING COMMITTEE ON
TAX POLICY**

Room 519 House Office Building Wednesday 8:30 a.m. May 28, 2014

Representative Jeff Farrington, Chair, called the meeting to order.

Representative Farrington requested attendance be called to establish a quorum of the appointed committee members:

Present: Representatives Farrington, O'Brien, Genetski, Cotter, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,
Absent/Excused: Representatives Foster, and Switalski.

Representative O'Brien moved to approve the minutes of the meeting held on May 21, 2014.

There being no objection, the motion prevailed by unanimous consent.

Representative Sommerville moved to excuse absent members.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 5552 before the committee.

HB 5552 (Pettalia) Property tax; assessments; definition of transfer of ownership;
exclude certain transfers to a trust.

Representative Pettalia explained his bill to committee members. Questions and discussion followed.

The following submitted testimony cards on HB 5552 but did not wish to speak:

Jennifer Smith, representing the Michigan Association of School Boards (oppose)
Jerry Johnson, representing the Genesee Intermediate School District (oppose)
Bob Kefgen, representing the Michigan Association of Secondary School Principals (oppose)
Brad Biladeau, representing the Michigan Association of School Administrators (oppose)
Gerald Peregor, representing the School Equity Caucus (oppose)
Ray Telman, representing the Middle Cities Education Association (oppose)
Kathleen Merry, representing the Wayne Regional Educational Service Agency (oppose)
Emily Laidlaw, representing the Michigan Association of Intermediate School Administrators (oppose)
Howard Ryan, representing the Michigan Department of Treasury (oppose)

The following submitted comments on HB 5552:

Jennifer Smith, representing an education group.

The Chair laid SB 156 before the committee.

SB 156 (Brandenburg) Michigan business tax; administration; gross receipts, certain credit and apportionment provisions; modify to clarify original intent.

Dan Papineau, representing Senator Brandenburg's office, explained SB 156 to committee members. Questions and discussion followed.

The following testified on SB 156:

Greg Nowak and Angie Acosta, representing the Michigan Association of Certified Public Accountants (support)

Howard Ryan, representing the Michigan Department of Treasury (support)

The following submitted a testimony card on SB 156 but did not wish to speak:

Tricia Kinley, representing the Michigan Chamber of Commerce (support)

The Chair returned to HB 5552.

Representative O'Brien moved to adopt substitute (H-1) for HB 5552

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Farrington, O'Brien, Genetski, Cotter, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

The Chair laid HB 5182 before the committee.

HB 5182 (Zorn) Property tax; exemptions; nonprofit housing property exemption; provide for.

The following submitted testimony cards on HB 5182 but did not wish to speak:

Howard Ryan, representing the Michigan Department of Treasury (oppose)

Jennifer Smith, representing the Michigan Association of School Boards (oppose)

Jerry Johnson, representing the Genesee ISD (oppose)

Bob Kefgen, representing the Michigan Association of Secondary School Principals (oppose)

Brad Biladeau, representing the Michigan Association of School Administrators (oppose)

Gerald Peregord, representing the School Equity Caucus (oppose)
Ray Telman, representing the Middle Cities Education Association (oppose)
Kathleen Merry, representing the Wayne Regional Educational Service Agency (oppose)
Emily Laidlaw, representing the Michigan Association of Intermediate School Administrators (oppose)

Representative Barnett moved to adopt the following amendment to HB 5182:

1. Amend page 3, following line 24, by inserting: “Enacting section 1. The legislature shall annually appropriate sufficient funds from the state general fund to the state school aid fund created in section 11 of article IX of the state constitution of 1963 to fully compensate for any loss of revenue to the state school aid fund resulting from the enactment of this amendatory act.”.

The motion did not prevail by a vote of 4-9-0

UNFAVORABLE ROLL CALL:

Yeas: Representatives Barnett, Haugh, LaVoy, and Townsend,
Nays: Representatives Farrington, O’Brien, Genetski, Cotter, Lyons, Nesbitt, Price, Somerville, and Kelly,
Pass: None.

Representative Cotter moved to report 5182 with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Farrington, O’Brien, Genetski, Cotter, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,
Nays: None,
Pass: None.

HB 5182 reported with recommendation

There being no further business to come before the committee, the Chair adjourned the meeting, the time being 9:15 a.m.

Representative Jeff Farrington, Chair

David C. Mead
Committee Clerk
May 28, 2014
45 minutes

Date Approved and Signed