

# **Bond Case Briefs**

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## **TAX - MICHIGAN**

### **Baruch SLS, Inc. v. Tittabawassee Township**

**Supreme Court of Michigan - June 28, 2017 - N.W.2d - 2017 WL 2818133**

Taxpayer, which was nonprofit corporation that operated adult foster care facility, appealed decision of Tax Tribunal denying taxpayer charitable exemption from real and personal property taxes.

Court of Appeals affirmed in part and reversed in part. Taxpayer appealed.

The Supreme Court of Michigan held that taxpayer was not required to offer its services for free or to select its recipients using only arbitrary criteria to satisfy charitable institution test for real and personal property tax exemption.

Taxpayer, which was nonprofit corporation that operated adult foster care facility, was not required to offer its services for free or to select its recipients using only arbitrary criteria to satisfy charitable institution test for real and personal property tax exemptions, since excluding taxpayer from exemptions simply because it charged fees for its services conflicted with factor of charitable institution test that allowed taxpayer to charge amount for its services that was necessary to remain financially stable, requiring taxpayer to provide its charitable services entirely for free was unrealistic and unsustainable, and taxpayer could have restrictions that limited or selected who was entitled to receive its services, if such restrictions reasonably related to its charitable goal.