

STATE OF MICHIGAN
COURT OF APPEALS

CHILDREN'S HOSPITAL OF MICHIGAN,

Plaintiff-Appellee,

v

COMMERCE TOWNSHIP,

Defendant-Appellant,

UNPUBLISHED

April 21, 1998

No. 201864

Michigan Tax Tribunal

LC No. 00228251

HURON VALLEY HOSPITAL,

Plaintiff-Appellee,

v

COMMERCE TOWNSHIP,

Defendant-Appellant.

No. 201865

Michigan Tax Tribunal

LC No. 0022856

Before: Doctoroff, P.J. and Reilly and G.S. Allen, Jr.*, JJ.

PER CURIAM.

Defendant appeals as of right from the Michigan Tax Tribunal's judgments granting plaintiffs personal property tax exemptions from the general property tax pursuant to § 9(a) of the General Property Tax Act (GPTA), MCL 211.1 *et seq.*; MSA 7.1 *et seq.* These cases were consolidated for appeal. We affirm.

Defendant argues that plaintiffs were not entitled to personal property tax exemptions under § 9(a) on a theory that § 7r of the GPTA is the exclusive statute dealing with tax exemptions for hospitals and clinics. We disagree. This Court's review of a decision by the MTT is limited to determining

* Former Court of Appeals judge, sitting on the Court of Appeals by assignment.

whether the tribunal made an error of law or adopted a wrong principle. *Comcast Cablevision v Sterling Heights*, 218 Mich App 8, 11; 553 NW2d 627 (1996).

The GPTA contains two separate personal property exemptions that are relevant to this case. Section 9 provides, in part:

The following personal property is exempt from taxation:

(a) The personal property of charitable, educational, and scientific institutions incorporated under the laws of this state. This exemption does not apply to secret or fraternal societies, but the personal property of all charitable homes of the societies and nonprofit corporations that own and operate facilities for the aged and chronically ill in which the net income from the operation of the corporations does not inure to the benefit of a person other than the residents is exempt. [MCL 211.9(a); MSA 7.9(a).]

Section 7r provides:

The real estate and building of a clinic erected, financed, occupied, and operated by a nonprofit corporation or by the trustees of health and welfare funds is exempt from taxation under this act, if the funds of the corporation or the trustees are derived solely from payments and contributions under the terms of collective bargaining agreements between employers and representatives of employees for whose use the clinic is maintained. The real estate with the buildings and *other property* located on the real estate on that acreage, owned and occupied by a nonprofit trust and used for hospital or public health purposes is exempt from taxation under this act, but not including excess acreage not actively utilized for hospital or public health purposes and real estate and dwellings located on that acreage used for dwelling purposes for resident physicians and their families. [MCL 211.7r; MSA 7.7(4o) (emphasis added).]

In this case, plaintiffs were not eligible for an exemption under § 7r of the GPTA, because they did not own the real estate upon which the “other property” was located.

Defendant contends that § 7r of the GPTA, rather than § 9(a), is solely applicable to plaintiffs in this case, because § 7r was more recently enacted and is more specific than § 9(a). Defendant’s argument presupposes that the statutes conflict. It is only where two statutes conflict, that a more specific statute prevails over a generally applicable statute. See *Ladd v Ford Consumer Finance Co*, 217 Mich App 119, 128; 550 NW2d 826 (1996). Moreover, when two statutes relate to the same subject, courts will give effect to both acts if possible. *McCready v Hoffius*, 222 Mich App 210, 217; 564 NW2d 493 (1997). In the case at bar, the statutes do not conflict.

In order to claim an exemption for their real and personal property under § 7r, a taxpayer must satisfy two elements: (1) it must be a nonprofit trust that owns and occupies real property, and (2) and it must use its property for “hospital or public health purposes.” See MCL 211.7r; MSA 7.7(4o). In comparison, § 9(a) of the GPTA authorizes a taxpayer to claim an exemption

for its personal property if it can establish that it is a “charitable institution.” MCL 211.9(a); MSA 7.9(a); see also *McFarlan Home v Flint*, 105 Mich App 728, 734-735; 307 NW2d 712 (1981). Neither statute hampers the operation of the other. An institution may claim to be both a “nonprofit trust” and “charitable,” and therefore qualify for an exemption under either statute. Nonprofit status does not, in itself, qualify an organization as a charitable institution. See *Michigan Baptist Homes & Development Co v Ann Arbor*, 55 Mich App 725, 730-735; 223 NW2d 324 (1974), aff’d 396 Mich 660; 242 NW2d 749 (1976); see also *Retirement Homes, Inc v Sylvan Twp*, 416 Mich 340, 348-349; 330 NW2d 682 (1982). Since the statutes do not conflict, we reject defendant’s argument. We also reject defendant’s implied assertion that plaintiffs may only claim an exemption under one provision of the GPTA. No statutory provision indicates that a taxpayer may claim an exemption under only one of the provisions of the GPTA, and we decline to read such a requirement into the GPTA. Cf. *McFarlan Home*, *supra* at 734 (holding that MTT erred in failing to separately consider the possibility of an exemption under § 9(a) in addition to former § 7(d) of the GPTA.)

In the present case, the MTT concluded that plaintiffs were entitled to a personal property exemption under § 9(a) of the GPTA because they were charitable institutions incorporated under the laws of the State of Michigan. The MTT did not address § 7r, under which plaintiffs would apparently not qualify for an exemption. Defendant does not challenge the MTT’s finding that plaintiffs were charitable institutions or that they were using their personal property for charitable purposes. Nor does defendant dispute that a charitable institution that uses its personal property for a charitable purpose is entitled to a personal property tax exemption under § 9(a) of the GPTA. In fact, defendant agrees that § 9(a) of the GPTA, by itself, would have entitled plaintiffs in this case to an exemption. Accordingly, we believe that the MTT was correct in applying § 9(a) of the GPTA in this case.

Affirmed.

/s/ Martin M. Doctoroff
/s/ Maureen Pulte Reilly
/s/ Glen S. Allen, Jr.