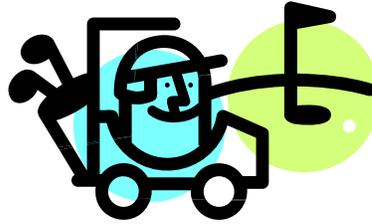


**State Tax Commission April 21, 2010 Tip**  
**Topic: Principal Residence Exemptions**



Dear STaCy:

I was asked if a partnership owns a commercial property (golf course) which includes a house. Can one of the partners claim a principal residence exemption for the house if he is living there as his permanent residence?

Signed

Teed Off

Dear Mr. Off:

MCL 211.7cc, states that to be eligible for a Principal Residence Exemption (PRE), an owner must occupy the property as a principal residence. For PRE purposes, MCL 211.7dd defines an owner as a person who owns property and goes on to define a person as an individual. Limited liability companies, partnerships, corporations, associations, or other legal entities are not considered a person for purposes of defining an owner who qualifies for the PRE. In this case, since the partnership is the entity that holds legal title to the golf course, one of the partners could not claim a PRE for the house even if that partner is living in the house as his permanent residence.

For additional PRE information, please visit [www.michigan.gov/PRE](http://www.michigan.gov/PRE) (not a live link) or feel free to contact the PRE Unit at (517) 373-1950 or at [PTE-Section@michigan.gov](mailto:PTE-Section@michigan.gov) (also not a live link).

Sincerely,

STaCy