

**RECODIFIED TAX INCREMENT FINANCING ACT (EXCERPT)**  
**Act 57 of 2018**

PART 9  
REPORTING REQUIREMENTS

**125.4901 Definitions.**

Sec. 901. As used in this part:

(a) "Authority" means all of the following:

- (i) An authority as defined in part 2.
- (ii) An authority as defined in part 3.
- (iii) An authority as defined in part 4.
- (iv) An authority as defined in part 6.
- (v) An authority as defined in part 7.
- (vi) An authority as defined in part 8.

(b) "Municipality" means all of the following:

- (i) A municipality as defined in part 2.
- (ii) A municipality as defined in part 3.
- (iii) A municipality as defined in part 4.
- (iv) A municipality as defined in part 6.
- (v) A municipality as defined in part 7.
- (vi) A municipality as defined in part 8.

**History:** 2018, Act 57, Eff. Jan. 1, 2019.

**125.4910 Website; requirements.**

Sec. 910. (1) Subject to subsection (5), each municipality that has created an authority or that creates an authority shall create a website or utilize the existing website of the municipality that is operated and regularly maintained with access to authority records and documents for the fiscal year beginning on the effective date of this act, including all of the following:

- (a) Minutes of all board meetings.
- (b) Annual budget, including encumbered and unencumbered fund balances.
- (c) Annual audits.
- (d) Currently adopted development plan, if not included in a tax increment financing plan.
- (e) Currently adopted tax increment finance plan, if currently capturing tax increment revenues.
- (f) Current authority staff contact information.
- (g) A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided to the authority.
- (h) An updated annual synopsis of activities of the authority. An updated synopsis of the activities of the authority includes all of the following, if any:
  - (i) For any tax increment revenues described in the annual audit that are not expended within 5 years of their receipt, a description that provides the following:
    - (A) The reasons for accumulating those funds and the uses for which those funds will be expended.
    - (B) A time frame when the fund will be expended.
    - (C) If any funds have not been expended within 10 years of their receipt, both of the following:
      - (I) The amount of those funds.
      - (II) A written explanation of why those funds have not been expended.
  - (ii) List of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year.
  - (iii) List of authority projects and investments, including active and completed projects for the immediately preceding fiscal year.
  - (iv) List of authority events and promotional campaigns for the immediately preceding fiscal year.
- (2) The requirements in subsection (1) are required for records and documents related to fiscal years as follows:
  - (a) For the fiscal year in which this act takes effect, the records and documents for that fiscal year.
  - (b) For the fiscal year 1 year following the effective date of this act, the records and documents for that fiscal year and the immediately preceding fiscal year.
  - (c) For the fiscal year 2 years following the effective date of this act, the records and documents for that fiscal year and the 2 immediately preceding fiscal years.

(d) For the fiscal year 3 years following the effective date of this act, the records and documents for the fiscal year and the 3 immediately preceding fiscal years.

(e) For the fiscal year 4 years following the effective date of this act and each subsequent fiscal year, the records and documents for the fiscal year and the 4 immediately preceding fiscal years.

(3) The requirements of this section shall not take effect until 180 days after the end of an authority's current fiscal year as of the effective date of this act.

(4) Each year, the board of an authority shall hold not fewer than 2 informational meetings. Notice of an informational meeting shall be posted on the municipality's or authority's website not less than 14 days before the date of the informational meeting. Not less than 14 days before the informational meeting, the board of an authority shall mail notice of the informational meeting to the governing body of each taxing jurisdiction levying taxes that are subject to capture by an authority under this act. As an alternative to mailing notice of the informational meeting, the board of the authority may notify the clerk of the governing body of each taxing jurisdiction levying taxes that are subject to capture by an authority under this act by electronic mail. The informational meetings may be held in conjunction with other public meetings of the authority or municipality.

(5) If the municipality creating an authority does not have an existing website and chooses not to create a website under subsection (1), the municipality shall maintain the records described in subsection (1) at a physical location within the municipality that is open to the public.

**History:** 2018, Act 57, Eff. Jan. 1, 2019.

**125.4911 Capture of tax increment revenues; report by authority; contents; filing; compilation by department of treasury; submission to legislature; consultation with professional organizations.**

Sec. 911. (1) Annually, on a form and in the manner prescribed by the department of treasury, an authority that is capturing tax increment revenues shall submit to the governing body of the municipality, the governing body of a taxing unit levying taxes subject to capture by an authority, and the department of treasury a report on the status of the tax increment financing account. However, an authority may submit by electronic means a report described in this subsection to the governing body of the municipality and the governing body of a taxing unit levying taxes subject to capture by the authority. The report shall include all of the following:

- (a) The name of the authority.
- (b) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
- (c) The date the authority began capturing tax increment revenues.
- (d) The current base year taxable value of the tax increment financing district.
- (e) The unencumbered fund balance for the immediately preceding fiscal year.
- (f) The encumbered fund balance for the immediately preceding fiscal year.
- (g) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
- (h) The amount in any bond reserve account.
- (i) The amount and purpose of expenditures from the account.
- (j) The amount of principal and interest on any outstanding bonded indebtedness.
- (k) The initial assessed value of the development area or authority district by property tax classification.
- (l) The captured assessed value retained by the authority by property tax classification.
- (m) The tax increment revenues received for the immediately preceding fiscal year.
- (n) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (o) Any additional information the governing body of the municipality or the department of treasury considers necessary.

(2) The report described in subsection (1) shall be filed with the department of treasury at the same time as the annual financial report is filed with the department of treasury under section 4 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.424.

(3) The department of treasury shall collect the reports described in subsection (1) and annually compile a combined report that summarizes the information reported in subsection (1) and annually submit a copy of that combined report to each member of the legislature.

(4) The department of treasury shall consult with the professional organizations that represent municipalities in developing the reporting form described in subsection (1).

(5) The department of treasury shall consult with the professional organizations described in subsection (4)

and finalize and publish the form described in subsection (1) not later than 60 days after the effective date of this act.

**History:** 2018, Act 57, Eff. Jan. 1, 2019.

#### **125.4912 Copy or electronic mail link of adopted development plan or tax increment finance plan.**

Sec. 912. Within 90 days of the effective date of this act, each authority shall send a copy or an electronic mail link of its currently adopted development plan or its currently adopted tax increment finance plan, if separate from the development plan, to the department of treasury.

**History:** 2018, Act 57, Eff. Jan. 1, 2019.

#### **125.4915 Enforcement of act.**

Sec. 915. (1) The department of treasury may institute proceedings to compel enforcement of this act and shall send written notification to an authority that fails to comply with this act, to each taxing jurisdiction that has tax increment revenues captured by the authority, and to the governing body of the municipality that established the authority of a violation of any provision of this act. The written notification shall specifically detail the authority's noncompliance with this act.

(2) If the department of treasury notifies an authority in writing that the authority failed to comply with any provision of this act, and after 60 days following receipt of that notice the authority does not comply, that authority shall not capture any tax increment revenues that are in excess of amounts necessary to pay bonded indebtedness and other obligations for the period of noncompliance. During the period of noncompliance, an authority cannot amend or approve a tax increment financing plan. However, if the period of noncompliance exceeds 2 consecutive years, that authority shall not capture any tax increment revenues that are in excess of amounts necessary to pay bonded indebtedness and other obligations without a resolution of authorization of the municipality that created the authority and each taxing jurisdiction whose ad valorem taxes are subject to capture by the authority. Any excess funds captured shall be returned to the taxing jurisdiction from which they were captured as follows:

- (a) For part 2, as provided in section 215(2).
- (b) For part 3, as provided in section 314(2).
- (c) For part 4, as provided in section 413(2).
- (d) For part 5, as provided in section 523(7).
- (e) For part 6, as provided in section 619(2).
- (f) For part 7, as provided in section 716(2).
- (g) For part 8, as provided in section 815(2).

**History:** 2018, Act 57, Eff. Jan. 1, 2019.