

HOUSE BILL No. 5988

April 25, 2006, Introduced by Rep. Huizenga and referred to the Committee on Commerce.

A bill to amend 1893 PA 206, entitled
 "The general property tax act,"
 by amending section 9f (MCL 211.9f), as amended by 2004 PA 79.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9f. (1) The governing body of ~~an eligible local~~
 2 ~~assessing district~~ **A LOCAL TAX COLLECTING UNIT** may adopt a
 3 resolution to exempt from the collection of taxes under this act
 4 all new personal property owned or leased by an eligible business
 5 located in ~~1 or more eligible districts designated in the~~
 6 ~~resolution~~ **THAT LOCAL TAX COLLECTING UNIT**. The clerk of the
 7 ~~eligible local assessing district~~ **LOCAL TAX COLLECTING UNIT** shall
 8 notify in writing the assessor of the local tax collecting unit ~~in~~
 9 ~~which the eligible district is located~~ and the legislative body of

1 each taxing unit that levies ad valorem property taxes in the
2 ~~eligible local assessing district in which the eligible district is~~
3 ~~located~~ **LOCAL TAX COLLECTING UNIT**. Before acting on the
4 resolution, the governing body of the ~~eligible local assessing~~
5 ~~district~~ **LOCAL TAX COLLECTING UNIT** shall afford the assessor and a
6 representative of the affected taxing units an opportunity for a
7 hearing.

8 (2) The exemption under this section is effective on the
9 December 31 immediately succeeding the adoption of the resolution
10 by the governing body of the ~~eligible local assessing district~~
11 **LOCAL TAX COLLECTING UNIT** and shall continue in effect for a period
12 specified in the resolution. A copy of the resolution shall be
13 filed with the state tax commission. A resolution is not effective
14 unless approved by the state tax commission as provided in
15 subsection (3).

16 (3) Not more than 60 days after receipt of a copy of the
17 resolution adopted under subsection (1), the state tax commission
18 shall approve or disapprove the resolution. The state treasurer,
19 with the written concurrence of the president of the Michigan
20 strategic fund, shall advise the state tax commission as to whether
21 exempting new personal property of the eligible business is
22 necessary to reduce unemployment, promote economic growth, and
23 increase capital investment in this state.

24 (4) Notwithstanding the amendatory act that added section
25 2(1)(c), all of the following shall apply to an exemption under
26 this section that was approved by the state tax commission on or
27 before April 30, 1999, regardless of the effective date of the

1 exemption:

2 (a) The exemption shall be continued for the term authorized
3 by the resolution adopted by the governing body ~~of the eligible~~
4 ~~local assessing district~~ and approved by the state tax commission
5 with respect to buildings and improvements constructed on leased
6 real property during the term of the exemption if the value of the
7 real property is not assessed to the owner of the buildings and
8 improvements.

9 (b) The exemption shall not be impaired or restricted with
10 respect to buildings and improvements constructed on leased real
11 property during the term of the exemption if the value of the real
12 property is not assessed to the owner of the buildings and
13 improvements.

14 (5) As used in this section:

15 (a) "Eligible business" means, effective August 7, 1998, a
16 business engaged primarily in manufacturing, mining, research and
17 development, wholesale trade, or office operations. Eligible
18 business does not include a casino, retail establishment,
19 professional sports stadium, or that portion of an eligible
20 business used exclusively for retail sales. As used in this
21 subdivision, "casino" means a casino regulated by this state
22 pursuant to the Michigan gaming control and revenue act, the
23 Initiated Law of 1996, MCL 432.201 to 432.226, and all property
24 associated or affiliated with the operation of a casino, including,
25 but not limited to, a parking lot, hotel, motel, or retail store.

26 ~~— (b) "Eligible district" means 1 or more of the following:~~

27 ~~— (i) An industrial development district as that term is defined~~

1 ~~in 1974 PA 198, MCL 207.551 to 207.572.~~

2 ~~—— (ii) A renaissance zone as that term is defined in the Michigan~~
3 ~~renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.~~

4 ~~—— (iii) An enterprise zone as that term is defined in the~~
5 ~~enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.~~

6 ~~—— (iv) A brownfield redevelopment zone as that term is designated~~
7 ~~under the brownfield redevelopment financing act, 1996 PA 381, MCL~~
8 ~~125.2651 to 125.2672.~~

9 ~~—— (v) An empowerment zone designated under subchapter U of~~
10 ~~chapter 1 of the internal revenue code of 1986, 26 USC 1391 to~~
11 ~~1397F.~~

12 ~~—— (vi) An authority district or a development area as those terms~~
13 ~~are defined in the tax increment finance authority act, 1980 PA~~
14 ~~450, MCL 125.1801 to 125.1830.~~

15 ~~—— (vii) An authority district as that term is defined in the~~
16 ~~local development financing act, 1986 PA 281, MCL 125.2151 to~~
17 ~~125.2174.~~

18 ~~—— (viii) A downtown district or a development area as those terms~~
19 ~~are defined in 1975 PA 197, MCL 125.1651 to 125.1681.~~

20 ~~—— (c) "Eligible distressed area" means 1 of the following:~~

21 ~~—— (i) That term as defined in section 11 of the state housing~~
22 ~~development authority act of 1966, 1966 PA 346, MCL 125.1411.~~

23 ~~—— (ii) An area that contains an eligible business as described in~~
24 ~~section 8(5)(b)(ii) of the Michigan economic growth authority act,~~
25 ~~1995 PA 24, MCL 207.808.~~

26 ~~—— (d) "Eligible local assessing district" means a city, village,~~
27 ~~or township that contains an eligible distressed area.~~

1 **(B)** ~~—(e)—~~ "New personal property" means personal property that
2 was not previously subject to tax under this act and that is placed
3 in ~~an eligible district~~ **A LOCAL TAX COLLECTING UNIT** after a
4 resolution under subsection (1) is approved by the ~~eligible local~~
5 ~~assessing district~~ **LOCAL TAX COLLECTING UNIT**. As used in this
6 subdivision, for exemptions approved by the state tax commission
7 under subsection (3) after April 30, 1999, new personal property
8 does not include buildings described in section 14(6) and personal
9 property described in section 8(h), (i), and (j).