

SUBSTITUTE FOR
HOUSE BILL NO. 6406

A bill to amend 2005 PA 210, entitled
"Commercial rehabilitation act,"
by amending section 10 (MCL 207.850).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. (1) There is levied upon every owner of a qualified
2 facility to which a commercial rehabilitation exemption certificate
3 is issued a specific tax to be known as the commercial
4 rehabilitation tax.

5 (2) ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), THE**
6 amount of the commercial rehabilitation tax, in each year, shall be
7 determined by adding the results of both of the following
8 calculations:

9 (a) Multiplying the total mills levied as ad valorem taxes for
10 that year by all taxing units within which the qualified facility

1 is located by the taxable value of the real and personal property
2 of the qualified facility on the December 31 immediately preceding
3 the effective date of the commercial rehabilitation exemption
4 certificate after deducting the taxable ~~valuation~~**VALUE** of the land
5 and of personal property other than personal property assessed
6 pursuant to sections 8(d) and 14(6) of the general property tax
7 act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year
8 immediately preceding the effective date of the commercial
9 rehabilitation exemption certificate.

10 (b) Multiplying the mills levied for school operating purposes
11 for that year under the revised school code, 1976 PA 451, MCL 380.1
12 to 380.1852, and the state education tax act, 1993 PA 331, MCL
13 211.901 to 211.906, by the taxable value of the real and personal
14 property of the qualified facility, after deducting all of the
15 following:

16 (i) The taxable value of the land and of the personal property
17 other than personal property assessed pursuant to sections 8(d) and
18 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and
19 211.14.

20 (ii) The taxable value used to calculate the tax under
21 subdivision (a).

22 (3) The commercial rehabilitation tax is an annual tax,
23 payable at the same times, in the same installments, and to the
24 same officer or officers as taxes imposed under the general
25 property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~**211.155**, are
26 payable. Except as otherwise provided in this section, the officer
27 or officers shall disburse the commercial rehabilitation tax

1 payments received by the officer or officers each year to and among
2 this state, cities, school districts, counties, and authorities, at
3 the same times and in the same proportions as required by law for
4 the disbursement of taxes collected under the general property tax
5 act, 1893 PA 206, MCL 211.1 to ~~211.157~~ **211.155**.

6 (4) For intermediate school districts receiving state aid
7 under sections 56, 62, and 81 of the state school aid act of 1979,
8 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of
9 commercial rehabilitation tax that would otherwise be disbursed to
10 an intermediate school district, all or a portion, to be determined
11 on the basis of the tax rates being utilized to compute the amount
12 of state aid, shall be paid to the state treasury to the credit of
13 the state school aid fund established by section 11 of article IX
14 of the state constitution of 1963.

15 (5) The amount of commercial rehabilitation tax described in
16 ~~subsection~~ **SUBSECTIONS (2)(a) AND (8)(A)** that would otherwise be
17 disbursed to a local school district for school operating purposes,
18 and all of the amount described in ~~subsection~~ **SUBSECTIONS (2)(b)**
19 **AND (8)(B)**, shall be paid instead to the state treasury and
20 credited to the state school aid fund established by section 11 of
21 article IX of the state constitution of 1963.

22 (6) The officer or officers shall send a copy of the amount of
23 disbursement made to each unit under this section to the commission
24 on a form provided by the commission.

25 (7) A qualified facility located in a renaissance zone under
26 the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to
27 125.2696, is exempt from the commercial rehabilitation tax levied

1 under this act to the extent and for the duration provided pursuant
2 to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to
3 125.2696, except for that portion of the commercial rehabilitation
4 tax attributable to a special assessment or a tax described in
5 section 7ff(2) of the general property tax act, 1893 PA 206, MCL
6 211.7ff. The commercial rehabilitation tax calculated under this
7 subsection shall be disbursed proportionately to the taxing unit or
8 units that levied the special assessment or the tax described in
9 section 7ff(2) of the general property tax act, 1893 PA 206, MCL
10 211.7ff.

11 (8) THE AMOUNT OF THE COMMERCIAL REHABILITATION TAX, IN EACH
12 YEAR, FOR A QUALIFIED RETAIL FOOD ESTABLISHMENT THAT WAS ISSUED A
13 CERTIFICATE ON OR BEFORE DECEMBER 31, 2009, SHALL BE DETERMINED BY
14 ADDING THE RESULTS OF BOTH OF THE FOLLOWING CALCULATIONS:

15 (A) MULTIPLYING THE TOTAL MILLS LEVIED AS AD VALOREM TAXES FOR
16 THAT YEAR BY ALL TAXING UNITS WITHIN WHICH THE QUALIFIED FACILITY
17 IS LOCATED BY THE TAXABLE VALUE OF THE REAL AND PERSONAL PROPERTY
18 OF THE QUALIFIED FACILITY ON THE DECEMBER 31 IMMEDIATELY PRECEDING
19 THE REHABILITATION AFTER DEDUCTING THE TAXABLE VALUATION OF THE
20 LAND AND OF PERSONAL PROPERTY OTHER THAN PERSONAL PROPERTY ASSESSED
21 PURSUANT TO SECTIONS 8(D) AND 14(6) OF THE GENERAL PROPERTY TAX
22 ACT, 1893 PA 206, MCL 211.8 AND 211.14, FOR THE TAX YEAR
23 IMMEDIATELY PRECEDING THE REHABILITATION.

24 (B) MULTIPLYING THE MILLS LEVIED FOR SCHOOL OPERATING PURPOSES
25 FOR THAT YEAR UNDER THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1
26 TO 380.1852, AND THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL
27 211.901 TO 211.906, BY THE TAXABLE VALUE OF THE REAL AND PERSONAL

1 PROPERTY OF THE QUALIFIED RETAIL FOOD ESTABLISHMENT, AFTER
2 DEDUCTING ALL OF THE FOLLOWING:

3 (i) THE TAXABLE VALUE OF THE LAND AND OF THE PERSONAL PROPERTY
4 OTHER THAN PERSONAL PROPERTY ASSESSED PURSUANT TO SECTIONS 8(D) AND
5 14(6) OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.8 AND
6 211.14.

7 (ii) THE TAXABLE VALUE USED TO CALCULATE THE TAX UNDER
8 SUBDIVISION (A).