



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1287 (as reported without amendment)
Sponsor: Senator Darwin L. Booher
Committee: Natural Resources, Environment and Great Lakes

CONTENT

The bill would amend the Qualified Forest Property Recapture Tax Act to redirect recapture tax proceeds from the General Fund to a proposed Private Forestland Enhancement Fund.

Under the General Property Tax Act, qualified forest property is exempt from the tax levied by a local school district for school operating purposes, to the extent provided in the Revised School Code, subject to an annual limit on the acreage of exempt forest property.

When property is converted by a change in use and is no longer qualified forest property, it is subject to the recapture of taxes under the Qualified Forest Property Recapture Tax Act. The proceeds of the recapture tax must be credited to the State's General Fund.

Beginning January 1, 2013, the bill would require the proceeds to be credited, instead, to the Private Forestland Enhancement Fund (which Senate Bill 1057 (S-2) would create).

MCL 211.1035 (S.B. 1287)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would reduce General Fund revenue by an unknown amount by redirecting tax recapture revenue from the General Fund to the Private Forestland Enhancement Fund. It is unknown how many properties would be subjected to the terms of the recapture, or the specific characteristics that would affect their liability.

Date Completed: 10-16-12

Fiscal Analyst: David Zin

[floor/sb1287](#)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.