

SUBSTITUTE FOR  
HOUSE BILL NO. 4970

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending sections 7jj and 27a (MCL 211.7jj[1] and 211.27a),  
section 7jj as added by 2006 PA 378 and section 27a as amended by  
2008 PA 506.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 7jj. (1) ~~Except as otherwise limited in this subsection,~~  
2 ~~qualified~~ **QUALIFIED** forest property is exempt from the tax levied  
3 by a local school district for school operating purposes to the  
4 extent provided under section 1211 of the revised school code, 1976  
5 PA 451, MCL 380.1211. ~~, according to the provisions of this~~  
6 ~~section. The amount of qualified forest property in this state that~~  
7 ~~is eligible for the exemption under this section is limited as~~  
8 ~~follows:~~

1 ~~—— (a) In the fiscal year ending September 30, 2008, 300,000~~  
2 ~~acres.~~

3 ~~—— (b) In the fiscal year ending September 30, 2009, 600,000~~  
4 ~~acres.~~

5 ~~—— (c) In the fiscal year ending September 30, 2010, 900,000~~  
6 ~~acres.~~

7 ~~—— (d) In the fiscal year ending September 30, 2011 and each~~  
8 ~~fiscal year thereafter, 1,200,000 acres.~~

9 (2) To claim an exemption under subsection (1), the owner of  
10 qualified forest property shall ~~file an affidavit claiming the~~  
11 ~~exemption and an approved forest management plan or a certificate~~  
12 ~~provided by a third party certifying organization with the local~~  
13 ~~tax collecting unit by December 31. An owner may claim an exemption~~  
14 ~~under this section for not more than 320 acres of qualified forest~~  
15 ~~property in each local tax collecting unit. If an exemption is~~  
16 ~~granted under this section for less than 320 acres in a local tax~~  
17 ~~collecting unit, an owner of that property may subsequently claim~~  
18 ~~an exemption for additional property in that local tax collecting~~  
19 ~~unit if that additional property meets the requirements of this~~  
20 ~~section.~~ **SUBMIT AN APPLICATION FOR THAT EXEMPTION AS PROVIDED IN**  
21 **PART 514 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT,**  
22 **1994 PA 451, MCL 324.51401 TO 324.51421.**

23 ~~—— (3) The affidavit shall be on a form prescribed by the~~  
24 ~~department of treasury and shall require the person submitting the~~  
25 ~~affidavit to attest that the property for which the exemption is~~  
26 ~~claimed is qualified forest property and will be managed according~~  
27 ~~to the approved forest management plan.~~

~~(4) The assessor shall determine if the property is qualified forest property based on a recommendation from the department of natural resources and confirmation that the acreage limitation set forth in subsection (1) has not been reached and if so shall exempt the property from the collection of the tax as provided in subsection (1) until December 31 of the year in which the property is no longer qualified forest property.~~

(3) ~~(5)~~ Not more than 90 days after all or a portion of the exempted property is no longer qualified forest property, the owner shall rescind the exemption for the applicable portion of the property by filing with the local tax collecting unit a rescission form prescribed by the department of treasury. An owner who fails to file a rescission as required by this subsection **OR AN OWNER WHO IS FOUND GUILTY UNDER SECTION 51420 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51420,** is subject to a penalty of \$5.00 per day for each separate failure beginning after the 90 days have elapsed, up to a maximum of \$1,000.00. This penalty shall be collected under 1941 PA 122, MCL 205.1 to 205.31, and shall be deposited in the general fund of this state.

(4) ~~(6)~~ An owner of property that is qualified forest property on December 31 for which an exemption was not on the tax roll may file an appeal with the July or December board of review under section 53b in the year the exemption was claimed or the immediately succeeding year. An owner of property that is qualified forest property on May 1 for which an exemption was denied by the assessor in the year the affidavit was filed may file an appeal

1 with the July board of review for summer taxes or, if there is not  
2 a summer levy of school operating taxes, with the December board of  
3 review under section 53b.

4 (5) ~~(7)~~—If the assessor of the local tax collecting unit  
5 ~~believes~~**DETERMINES** that the property for which an exemption has  
6 been granted is not qualified forest property, ~~based on a~~  
7 ~~recommendation from the department of natural resources, the~~  
8 assessor may deny or modify an existing exemption by notifying the  
9 owner in writing at the time required for providing a notice under  
10 section 24c. A taxpayer may appeal the assessor's determination to  
11 the board of review meeting under section 30. A decision of the  
12 board of review may be appealed to the residential and small claims  
13 division of the Michigan tax tribunal.

14 (6) ~~(8)~~—If property for which an exemption has been granted  
15 under this section is not qualified forest property, the property  
16 that had been subject to that exemption shall be immediately placed  
17 on the tax roll by the local tax collecting unit if the local tax  
18 collecting unit has possession of the tax roll or by the county  
19 treasurer if the county has possession of the tax roll as though  
20 the exemption had not been granted. A corrected tax bill shall be  
21 issued for each tax year being adjusted by the local tax collecting  
22 unit if the local tax collecting unit has possession of the tax  
23 roll or by the county treasurer if the county has possession of the  
24 tax roll.

25 (7) ~~(9)~~—If property for which an exemption has been granted  
26 under this section is converted by a change in use and is no longer  
27 qualified forest property, the property is subject to the qualified

1 forest property recapture tax levied under the qualified forest  
2 property recapture tax act, 2006 PA 379, MCL 211.1031 TO 211.1036.

3 An owner of qualified forest property shall inform a prospective  
4 buyer of that qualified forest property that the qualified forest  
5 property is subject to the recapture tax provided in the qualified  
6 forest property recapture tax act, 2006 PA 379, MCL 211.1031 TO  
7 211.1036, if the qualified forest property is converted by a change  
8 in use.

9 ~~—— (10) If qualified forest property is exempt under this~~  
10 ~~section, an owner of that qualified forest property shall annually~~  
11 ~~report to the department of natural resources on a form prescribed~~  
12 ~~by the department of natural resources the amount of timber~~  
13 ~~produced on that qualified forest property and whether any~~  
14 ~~buildings or structures have been constructed on the qualified~~  
15 ~~forest property. Beginning in 2008, and every 3 years thereafter,~~  
16 ~~the department of natural resources shall provide to the standing~~  
17 ~~committees of the senate and house of representatives with primary~~  
18 ~~jurisdiction over forestry issues a report that includes all of the~~  
19 ~~following:~~

20 ~~—— (a) The number of acres of qualified forest property in each~~  
21 ~~county.~~

22 ~~—— (b) The amount of timber produced on qualified forest property~~  
23 ~~each year.~~

24 ~~—— (11) As used in this section:~~

25 ~~—— (a) "Approved forest management plan" means 1 of the~~  
26 ~~following:~~

27 ~~—— (i) A forest management plan approved by the department of~~

~~1 natural resources. An owner of property may submit a proposed  
2 forest management plan to the department of natural resources for  
3 approval. The proposed forest management plan shall include a  
4 statement signed by the owner that he or she agrees to comply with  
5 all terms and conditions contained in the approved forest  
6 management plan. The department of natural resources may charge a  
7 fee of not more than \$200.00 for the consideration of each proposed  
8 forest management plan submitted. The department of natural  
9 resources shall review and either approve or disapprove each  
10 proposed forest management plan submitted. If the department of  
11 natural resources disapproves a proposed forest management plan,  
12 the department of natural resources shall indicate the changes  
13 necessary to qualify the proposed forest management plan for  
14 approval on subsequent review. At the request of the owner  
15 submitting a proposed forest management plan, the department of  
16 natural resources may agree to complete a proposed forest  
17 management plan. An owner and the department of natural resources  
18 may mutually agree to amend a proposed forest management plan or an  
19 approved forest management plan. A forest management plan submitted  
20 to the department of natural resources for approval shall not  
21 extend beyond a period of 20 years. An owner of property may submit  
22 a succeeding proposed forest management plan to the department of  
23 natural resources for approval.~~

~~24 ——— (ii) A forest management plan certified by a third party  
25 certifying organization.~~

~~26 ——— (b) "Converted by a change in use" means that term as defined  
27 in section 2 of the qualified forest property recapture tax act.~~

~~1 (c) "Forest products" includes, but is not limited to, timber  
2 and pulpwood-related products.~~

~~3 (d) "Natural resources professional" and "registered forester"  
4 mean those terms as defined in section 51101 of the natural  
5 resources and environmental protection act, 1994 PA 451, MCL  
6 324.51101.~~

~~7 (e) "Proposed forest management plan" means a proposed plan  
8 for sustainable forest management that includes, but is not limited  
9 to, harvesting, planting, and regeneration of forest products on a  
10 parcel of property that is prepared by a qualified forester. A  
11 proposed forest management plan shall include all of the following:~~

~~12 (i) The name and address of each owner of the property.~~

~~13 (ii) The legal description and parcel identification number of  
14 the property or of the parcel on which the property is located.~~

~~15 (iii) A statement of the owner's forest management objectives.~~

~~16 (iv) A map, diagram, or aerial photograph that identified both  
17 forested and unforested areas of the property, using conventional  
18 map symbols indicating the species, size, and density of vegetation  
19 and other major features of the property.~~

~~20 (v) A description of the forestry practices, including  
21 harvesting, thinning, and reforestation, that will be undertaken,  
22 specifying the approximate period of time before each is completed.~~

~~23 (vi) A description of soil conservation practices that may be  
24 necessary to control any soil erosion that may result from the  
25 forestry practices described pursuant to subparagraph (v).~~

~~26 (vii) A proposed forest management plan shall also include a  
27 description of activities that may be undertaken for the management~~

~~of forest resources other than trees, including wildlife habitat, watersheds, and aesthetic features.~~

~~—— (f) "Qualified forest property" means a parcel of real property that meets all of the following conditions as determined by the department of natural resources.~~

~~—— (i) Is not less than 20 contiguous acres in size, of which not less than 80% is productive forest capable of producing wood products. Contiguity is not broken by a road, a right-of-way, or property purchased or taken under condemnation proceedings by a public utility for power transmission lines if the 2 parcels separated by the purchased or condemned property were a single parcel prior to the sale or condemnation. As used in this subparagraph, "productive forest" means real property capable of growing not less than 20 cubic feet of wood per acre per year. However, if property has been considered productive forest, an act of God that negatively affects that property shall not result in that property not being considered productive forest.~~

~~—— (ii) Is stocked with forest products.~~

~~—— (iii) Has no buildings or structures located on the real property.~~

~~—— (iv) Is subject to an approved forest management plan.~~

~~—— (g) "Qualified forester" means natural resources professional, a registered forester, or a conservation district forester.~~

~~—— (h) "Third party certifying organization" means an independent third party organization that assesses and evaluates forest management practices according to the standards of a certification program that measures whether forest management practices are~~



~~consistent with principles of sustainable forestry. Third party  
certifying organization includes, but is not limited to, the forest  
stewardship council and the sustainable forest initiative.~~

**(8) AS USED IN THIS SECTION:**

**(A) "CONVERTED BY A CHANGE IN USE" MEANS THAT TERM AS DEFINED  
IN SECTION 2 OF THE QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT,  
2006 PA 379, MCL 211.1031 TO 211.1036.**

**(B) "QUALIFIED FOREST PROPERTY" MEANS PROPERTY DESIGNATED AS  
QUALIFIED FOREST PROPERTY UNDER PART 514 OF THE NATURAL RESOURCES  
AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51401 TO  
324.51421.**

Sec. 27a. (1) Except as otherwise provided in this section,  
property shall be assessed at 50% of its true cash value under  
section 3 of article IX of the state constitution of 1963.

(2) Except as otherwise provided in subsection (3), for taxes  
levied in 1995 and for each year after 1995, the taxable value of  
each parcel of property is the lesser of the following:

(a) The property's taxable value in the immediately preceding  
year minus any losses, multiplied by the lesser of 1.05 or the  
inflation rate, plus all additions. For taxes levied in 1995, the  
property's taxable value in the immediately preceding year is the  
property's state equalized valuation in 1994.

(b) The property's current state equalized valuation.

(3) Upon a transfer of ownership of property after 1994, the  
property's taxable value for the calendar year following the year  
of the transfer is the property's state equalized valuation for the  
calendar year following the transfer.

1           (4) If the taxable value of property is adjusted under  
2 subsection (3), a subsequent increase in the property's taxable  
3 value is subject to the limitation set forth in subsection (2)  
4 until a subsequent transfer of ownership occurs. If the taxable  
5 value of property is adjusted under subsection (3) and the assessor  
6 determines that there had not been a transfer of ownership, the  
7 taxable value of the property shall be adjusted at the July or  
8 December board of review. Notwithstanding the limitation provided  
9 in section 53b(1) on the number of years for which a correction may  
10 be made, the July or December board of review may adjust the  
11 taxable value of property under this subsection for the current  
12 year and for the 3 immediately preceding calendar years. A  
13 corrected tax bill shall be issued for each tax year for which the  
14 taxable value is adjusted by the local tax collecting unit if the  
15 local tax collecting unit has possession of the tax roll or by the  
16 county treasurer if the county has possession of the tax roll. For  
17 purposes of section 53b, an adjustment under this subsection shall  
18 be considered the correction of a clerical error.

19           (5) Assessment of property, as required in this section and  
20 section 27, is inapplicable to the assessment of property subject  
21 to the levy of ad valorem taxes within voted tax limitation  
22 increases to pay principal and interest on limited tax bonds issued  
23 by any governmental unit, including a county, township, community  
24 college district, or school district, before January 1, 1964, if  
25 the assessment required to be made under this act would be less  
26 than the assessment as state equalized prevailing on the property  
27 at the time of the issuance of the bonds. This inapplicability

1 shall continue until levy of taxes to pay principal and interest on  
2 the bonds is no longer required. The assessment of property  
3 required by this act shall be applicable for all other purposes.

4 (6) As used in this act, "transfer of ownership" means the  
5 conveyance of title to or a present interest in property, including  
6 the beneficial use of the property, the value of which is  
7 substantially equal to the value of the fee interest. Transfer of  
8 ownership of property includes, but is not limited to, the  
9 following:

10 (a) A conveyance by deed.

11 (b) A conveyance by land contract. The taxable value of  
12 property conveyed by a land contract executed after December 31,  
13 1994 shall be adjusted under subsection (3) for the calendar year  
14 following the year in which the contract is entered into and shall  
15 not be subsequently adjusted under subsection (3) when the deed  
16 conveying title to the property is recorded in the office of the  
17 register of deeds in the county in which the property is located.

18 (c) A conveyance to a trust after December 31, 1994, except if  
19 the settlor or the settlor's spouse, or both, conveys the property  
20 to the trust and the sole present beneficiary or beneficiaries are  
21 the settlor or the settlor's spouse, or both.

22 (d) A conveyance by distribution from a trust, except if the  
23 distributee is the sole present beneficiary or the spouse of the  
24 sole present beneficiary, or both.

25 (e) A change in the sole present beneficiary or beneficiaries  
26 of a trust, except a change that adds or substitutes the spouse of  
27 the sole present beneficiary.

1 (f) A conveyance by distribution under a will or by intestate  
2 succession, except if the distributee is the decedent's spouse.

3 (g) A conveyance by lease if the total duration of the lease,  
4 including the initial term and all options for renewal, is more  
5 than 35 years or the lease grants the lessee a bargain purchase  
6 option. As used in this subdivision, "bargain purchase option"  
7 means the right to purchase the property at the termination of the  
8 lease for not more than 80% of the property's projected true cash  
9 value at the termination of the lease. After December 31, 1994, the  
10 taxable value of property conveyed by a lease with a total duration  
11 of more than 35 years or with a bargain purchase option shall be  
12 adjusted under subsection (3) for the calendar year following the  
13 year in which the lease is entered into. This subdivision does not  
14 apply to personal property except buildings described in section  
15 14(6) and personal property described in section 8(h), (i), and  
16 (j). This subdivision does not apply to that portion of the  
17 property not subject to the leasehold interest conveyed.

18 (h) A conveyance of an ownership interest in a corporation,  
19 partnership, sole proprietorship, limited liability company,  
20 limited liability partnership, or other legal entity if the  
21 ownership interest conveyed is more than 50% of the corporation,  
22 partnership, sole proprietorship, limited liability company,  
23 limited liability partnership, or other legal entity. Unless  
24 notification is provided under subsection (10), the corporation,  
25 partnership, sole proprietorship, limited liability company,  
26 limited liability partnership, or other legal entity shall notify  
27 the assessing officer on a form provided by the state tax

1 commission not more than 45 days after a conveyance of an ownership  
2 interest that constitutes a transfer of ownership under this  
3 subdivision.

4 (i) A transfer of property held as a tenancy in common, except  
5 that portion of the property not subject to the ownership interest  
6 conveyed.

7 (j) A conveyance of an ownership interest in a cooperative  
8 housing corporation, except that portion of the property not  
9 subject to the ownership interest conveyed.

10 (7) Transfer of ownership does not include the following:

11 (a) The transfer of property from 1 spouse to the other spouse  
12 or from a decedent to a surviving spouse.

13 (b) A transfer from a husband, a wife, or a husband and wife  
14 creating or disjoining a tenancy by the entireties in the grantors  
15 or the grantor and his or her spouse.

16 (c) A transfer of that portion of property subject to a life  
17 estate or life lease retained by the transferor, until expiration  
18 or termination of the life estate or life lease. That portion of  
19 property transferred that is not subject to a life lease shall be  
20 adjusted under subsection (3).

21 (d) A transfer through foreclosure or forfeiture of a recorded  
22 instrument under chapter 31, 32, or 57 of the revised judicature  
23 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701  
24 to 600.5759, or through deed or conveyance in lieu of a foreclosure  
25 or forfeiture, until the mortgagee or land contract vendor  
26 subsequently transfers the property. If a mortgagee does not  
27 transfer the property within 1 year of the expiration of any

1 applicable redemption period, the property shall be adjusted under  
2 subsection (3).

3 (e) A transfer by redemption by the person to whom taxes are  
4 assessed of property previously sold for delinquent taxes.

5 (f) A conveyance to a trust if the settlor or the settlor's  
6 spouse, or both, conveys the property to the trust and the sole  
7 present beneficiary of the trust is the settlor or the settlor's  
8 spouse, or both.

9 (g) A transfer pursuant to a judgment or order of a court of  
10 record making or ordering a transfer, unless a specific monetary  
11 consideration is specified or ordered by the court for the  
12 transfer.

13 (h) A transfer creating or terminating a joint tenancy between  
14 2 or more persons if at least 1 of the persons was an original  
15 owner of the property before the joint tenancy was initially  
16 created and, if the property is held as a joint tenancy at the time  
17 of conveyance, at least 1 of the persons was a joint tenant when  
18 the joint tenancy was initially created and that person has  
19 remained a joint tenant since the joint tenancy was initially  
20 created. A joint owner at the time of the last transfer of  
21 ownership of the property is an original owner of the property. For  
22 purposes of this subdivision, a person is an original owner of  
23 property owned by that person's spouse.

24 (i) A transfer for security or an assignment or discharge of a  
25 security interest.

26 (j) A transfer of real property or other ownership interests  
27 among members of an affiliated group. As used in this subsection,

1 "affiliated group" means 1 or more corporations connected by stock  
2 ownership to a common parent corporation. Upon request by the state  
3 tax commission, a corporation shall furnish proof within 45 days  
4 that a transfer meets the requirements of this subdivision. A  
5 corporation that fails to comply with a request by the state tax  
6 commission under this subdivision is subject to a fine of \$200.00.

7 (k) Normal public trading of shares of stock or other  
8 ownership interests that, over any period of time, cumulatively  
9 represent more than 50% of the total ownership interest in a  
10 corporation or other legal entity and are traded in multiple  
11 transactions involving unrelated individuals, institutions, or  
12 other legal entities.

13 (l) A transfer of real property or other ownership interests  
14 among corporations, partnerships, limited liability companies,  
15 limited liability partnerships, or other legal entities if the  
16 entities involved are commonly controlled. Upon request by the  
17 state tax commission, a corporation, partnership, limited liability  
18 company, limited liability partnership, or other legal entity shall  
19 furnish proof within 45 days that a transfer meets the requirements  
20 of this subdivision. A corporation, partnership, limited liability  
21 company, limited liability partnership, or other legal entity that  
22 fails to comply with a request by the state tax commission under  
23 this subdivision is subject to a fine of \$200.00.

24 (m) A direct or indirect transfer of real property or other  
25 ownership interests resulting from a transaction that qualifies as  
26 a tax-free reorganization under section 368 of the internal revenue  
27 code, 26 USC 368. Upon request by the state tax commission, a

1 property owner shall furnish proof within 45 days that a transfer  
2 meets the requirements of this subdivision. A property owner who  
3 fails to comply with a request by the state tax commission under  
4 this subdivision is subject to a fine of \$200.00.

5 (n) A transfer of qualified agricultural property, if the  
6 person to whom the qualified agricultural property is transferred  
7 files an affidavit with the assessor of the local tax collecting  
8 unit in which the qualified agricultural property is located and  
9 with the register of deeds for the county in which the qualified  
10 agricultural property is located attesting that the qualified  
11 agricultural property shall remain qualified agricultural property.  
12 The affidavit under this subdivision shall be in a form prescribed  
13 by the department of treasury. An owner of qualified agricultural  
14 property shall inform a prospective buyer of that qualified  
15 agricultural property that the qualified agricultural property is  
16 subject to the recapture tax provided in the agricultural property  
17 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the  
18 qualified agricultural property is converted by a change in use. If  
19 property ceases to be qualified agricultural property at any time  
20 after being transferred, all of the following shall occur:

21 (i) The taxable value of that property shall be adjusted under  
22 subsection (3) as of the December 31 in the year that the property  
23 ceases to be qualified agricultural property.

24 (ii) The property is subject to the recapture tax provided for  
25 under the agricultural property recapture act, 2000 PA 261, MCL  
26 211.1001 to 211.1007.

27 (o) A transfer of qualified forest property, if the person to



1 whom the qualified forest property is transferred files an  
2 affidavit with the assessor of the local tax collecting unit in  
3 which the qualified forest property is located and with the  
4 register of deeds for the county in which the qualified forest  
5 property is located attesting that the qualified forest property  
6 shall remain qualified forest property. The affidavit under this  
7 subdivision shall be in a form prescribed by the department of  
8 treasury. An owner of qualified forest property shall inform a  
9 prospective buyer of that qualified forest property that the  
10 qualified forest property is subject to the recapture tax provided  
11 in the qualified forest property recapture tax act, 2006 PA 379,  
12 MCL 211.1031 to 211.1036, if the qualified forest property is  
13 converted by a change in use. If property ceases to be qualified  
14 forest property at any time after being transferred, all of the  
15 following shall occur:

16 (i) The taxable value of that property shall be adjusted under  
17 subsection (3) as of the December 31 in the year that the property  
18 ceases to be qualified forest property.

19 (ii) The property is subject to the recapture tax provided for  
20 under the qualified forest property recapture tax act, 2006 PA 379,  
21 MCL 211.1031 to 211.1036.

22 (p) Beginning on ~~the effective date of the amendatory act that~~  
23 ~~added this subdivision~~ **DECEMBER 8, 2006**, a transfer of land, but  
24 not buildings or structures located on the land, which meets 1 or  
25 more of the following requirements:

26 (i) The land is subject to a conservation easement under  
27 subpart 11 of part 21 of the natural resources and environmental

1 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in  
2 this subparagraph, "conservation easement" means that term as  
3 defined in section 2140 of the natural resources and environmental  
4 protection act, 1994 PA 451, MCL 324.2140.

5 (ii) A transfer of ownership of the land or a transfer of an  
6 interest in the land is eligible for a deduction as a qualified  
7 conservation contribution under section 170(h) of the internal  
8 revenue code, 26 USC 170.

9 (q) A transfer of real property or other ownership interests  
10 resulting from a consolidation or merger of a domestic nonprofit  
11 corporation that is a boy or girl scout or camp fire girls  
12 organization, a 4-H club or foundation, a young men's Christian  
13 association, or a young women's Christian association and at least  
14 50% of the members of that organization or association are  
15 residents of this state.

16 (8) If all of the following conditions are satisfied, the  
17 local tax collecting unit shall revise the taxable value of  
18 qualified agricultural property taxable on the tax roll in the  
19 possession of that local tax collecting unit to the taxable value  
20 that qualified agricultural property would have had if there had  
21 been no transfer of ownership of that qualified agricultural  
22 property since December 31, 1999 and there had been no adjustment  
23 of that qualified agricultural property's taxable value under  
24 subsection (3) since December 31, 1999:

25 (a) The qualified agricultural property was qualified  
26 agricultural property for taxes levied in 1999 and each year after  
27 1999.

1           (b) The owner of the qualified agricultural property files an  
2 affidavit with the assessor of the local tax collecting unit under  
3 subsection (7)(n).

4           (9) If the taxable value of qualified agricultural property is  
5 adjusted under subsection (8), the owner of that qualified  
6 agricultural property shall not be entitled to a refund for any  
7 property taxes collected under this act on that qualified  
8 agricultural property before the adjustment under subsection (8).

9           (10) The register of deeds of the county where deeds or other  
10 title documents are recorded shall notify the assessing officer of  
11 the appropriate local taxing unit not less than once each month of  
12 any recorded transaction involving the ownership of property and  
13 shall make any recorded deeds or other title documents available to  
14 that county's tax or equalization department. Unless notification  
15 is provided under subsection (6), the buyer, grantee, or other  
16 transferee of the property shall notify the appropriate assessing  
17 office in the local unit of government in which the property is  
18 located of the transfer of ownership of the property within 45 days  
19 of the transfer of ownership, on a form prescribed by the state tax  
20 commission that states the parties to the transfer, the date of the  
21 transfer, the actual consideration for the transfer, and the  
22 property's parcel identification number or legal description. Forms  
23 filed in the assessing office of a local unit of government under  
24 this subsection shall be made available to the county tax or  
25 equalization department for the county in which that local unit of  
26 government is located. This subsection does not apply to personal  
27 property except buildings described in section 14(6) and personal

1 property described in section 8(h), (i), and (j).

2 (11) As used in this section:

3 (a) "Additions" means that term as defined in section 34d.

4 (b) "Beneficial use" means the right to possession, use, and  
5 enjoyment of property, limited only by encumbrances, easements, and  
6 restrictions of record.

7 (c) "Converted by a change in use" means that term as defined  
8 in the agricultural property recapture act, 2000 PA 261, MCL  
9 211.1001 to 211.1007.

10 (d) "Inflation rate" means that term as defined in section  
11 34d.

12 (e) "Losses" means that term as defined in section 34d.

13 (f) "Qualified agricultural property" means that term as  
14 defined in section 7dd.

15 (g) "Qualified forest property" means ~~that term as defined in~~  
16 ~~section 7jj[1]~~. **PROPERTY DESIGNATED AS QUALIFIED FOREST PROPERTY**  
17 **UNDER PART 514 OF THE NATURAL RESOURCES AND ENVIRONMENTAL**  
18 **PROTECTION ACT, 1994 PA 451, MCL 324.51401 TO 324.51421, AND EXEMPT**  
19 **UNDER SECTION 7JJ[1].**

20 Enacting section 1. This amendatory act does not take effect  
21 unless House Bill No. 4969 of the 96th Legislature is enacted into  
22 law.