

**SUBSTITUTE FOR
SENATE BILL NO. 1059**

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
2012 PA 47.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7jj. (1) Except as otherwise limited in this subsection,
2 qualified forest property is exempt from the tax levied by a local
3 school district for school operating purposes to the extent
4 provided under section 1211 of the revised school code, 1976 PA
5 451, MCL 380.1211, according to the provisions of this section.
6 **BUILDINGS OR STRUCTURES LOCATED ON QUALIFIED FOREST PROPERTY ARE**
7 **NOT ELIGIBLE FOR THE EXEMPTION UNDER THIS SECTION. IF A PROPERTY**

1 OWNER IS INTERESTED IN OBTAINING AN EXEMPTION FOR QUALIFIED FOREST
2 PROPERTY UNDER THIS SECTION, THE PROPERTY OWNER MAY CONTACT THE
3 LOCAL CONSERVATION DISTRICT OR THE DEPARTMENT AND THE LOCAL
4 CONSERVATION DISTRICT OR THE DEPARTMENT SHALL ADVISE THE PROPERTY
5 OWNER ON THE EXEMPTION PROCESS. IF REQUESTED BY THE PROPERTY OWNER,
6 THE LOCAL CONSERVATION DISTRICT OR THE DEPARTMENT SHALL PROVIDE THE
7 PROPERTY OWNER WITH A LIST OF QUALIFIED FORESTERS TO PREPARE A
8 FOREST MANAGEMENT PLAN. THE DEPARTMENT SHALL MAINTAIN A LIST OF
9 QUALIFIED FORESTERS THROUGHOUT THE STATE AND SHALL MAKE THE LIST
10 AVAILABLE TO THE CONSERVATION DISTRICTS AND TO INTERESTED
11 LANDOWNERS. The amount of qualified forest property in this state
12 that is eligible for the exemption under this section is limited as
13 follows:

14 (a) In the fiscal year ending September 30, 2008, 300,000
15 acres.

16 (b) In the fiscal year ending September 30, 2009, 600,000
17 acres.

18 (c) In the fiscal year ending September 30, 2010, 900,000
19 acres.

20 (d) In the fiscal year ending September 30, 2011 and each
21 fiscal year thereafter, ~~1,200,000~~ 2,400,000 acres. BEGINNING IN THE
22 FISCAL YEAR ENDING SEPTEMBER 30, 2013 AND EACH FISCAL YEAR
23 THEREAFTER, REAL PROPERTY ELIGIBLE FOR EXEMPTION UNDER THIS SECTION
24 AS QUALIFIED FOREST PROPERTY AS A RESULT OF THE WITHDRAWAL OF THAT
25 PROPERTY FROM THE OPERATION OF PART 511 OF THE NATURAL RESOURCES
26 AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51101 TO
27 324.51120, AS PROVIDED IN SECTION 51108(5) OF THE NATURAL RESOURCES

1 AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51108, SHALL
2 NOT BE CREDITED AGAINST THE 2,400,000 ACRES OF PROPERTY THAT ARE
3 ELIGIBLE FOR EXEMPTION AS QUALIFIED FOREST PROPERTY UNDER THIS
4 SECTION.

5 (2) TO CLAIM AN EXEMPTION UNDER SUBSECTION (1), A PROPERTY
6 OWNER SHALL OBTAIN A FOREST MANAGEMENT PLAN FROM A QUALIFIED
7 FORESTER AND SUBMIT A DIGITAL COPY OF THAT FOREST MANAGEMENT PLAN,
8 AN APPLICATION FOR EXEMPTION AS QUALIFIED FOREST PROPERTY, AND A
9 FEE OF \$50.00 TO THE DEPARTMENT ON A FORM CREATED BY THE DEPARTMENT
10 BY AUGUST 1 FOR THE TAX YEAR WITHIN WHICH THE EXEMPTION IS
11 REQUESTED. A FOREST MANAGEMENT PLAN IS NOT SUBJECT TO THE FREEDOM
12 OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246. THE
13 DEPARTMENT SHALL FORWARD A COPY OF THE APPLICATION TO THE LOCAL
14 CONSERVATION DISTRICT FOR REVIEW AND TO THE LOCAL TAX COLLECTING
15 UNIT FOR NOTIFICATION OF THE APPLICATION.

16 (3) A CONSERVATION DISTRICT SHALL REVIEW THE APPLICATION TO
17 DETERMINE IF THE APPLIED-FOR PROPERTY MEETS THE MINIMUM
18 REQUIREMENTS FOR ENROLLING INTO THE QUALIFIED FOREST PROGRAM. A
19 CONSERVATION DISTRICT SHALL RESPOND WITHIN 45 DAYS OF THE DATE OF
20 RECEIPT OF THE APPLICATION INDICATING WHETHER THE PROPERTY IN THE
21 APPLICATION IS ELIGIBLE FOR ENROLLMENT. IF THE CONSERVATION
22 DISTRICT DOES NOT RESPOND WITHIN 45 DAYS OF RECEIPT OF THE
23 APPLICATION, THE PROPERTY SHALL BE CONSIDERED ELIGIBLE FOR THE
24 EXEMPTION UNDER THIS SECTION.

25 (4) THE DEPARTMENT SHALL REVIEW THE APPLICATION, COMMENTS FROM
26 THE CONSERVATION DISTRICT, AND THE FOREST MANAGEMENT PLAN TO
27 DETERMINE IF THE PROPERTY IS ELIGIBLE FOR THE EXEMPTION UNDER THIS

1 SECTION. THE DEPARTMENT SHALL REVIEW THE FOREST MANAGEMENT PLAN TO
2 DETERMINE IF THE ELEMENTS REQUIRED IN SUBSECTION (16) (F) ARE IN THE
3 PLAN. WITHIN 90 DAYS OF RECEIPT OF THE APPLICATION, FOREST
4 MANAGEMENT PLAN, AND FEE, THE DEPARTMENT SHALL REVIEW THE
5 APPLICATION AND, IF THE APPLICATION AND SUPPORTING DOCUMENTS ARE IN
6 COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION, THE DEPARTMENT
7 SHALL APPROVE THE APPLICATION AND SHALL PREPARE A QUALIFIED FOREST
8 SCHOOL TAX AFFIDAVIT, IN RECORDABLE FORM, INDICATING ALL OF THE
9 FOLLOWING:

10 (A) THE NAME OF THE LANDOWNER.

11 (B) THE LEGAL DESCRIPTION OF THE PROPERTY.

12 (C) THE YEAR THE APPLICATION WAS SUBMITTED FOR THE EXEMPTION.

13 (D) A STATEMENT THAT THE LANDOWNER IS ATTESTING THAT THE
14 PROPERTY FOR WHICH THE EXEMPTION IS CLAIMED IS QUALIFIED FOREST
15 PROPERTY AND WILL BE MANAGED ACCORDING TO THE APPROVED FOREST
16 MANAGEMENT PLAN.

17 (E) ANY OTHER INFORMATION PERTINENT TO THE PARCEL AND THE
18 PROPERTY OWNER.

19 (5) THE DEPARTMENT SHALL SEND A QUALIFIED FOREST SCHOOL TAX
20 AFFIDAVIT PREPARED UNDER SUBSECTION (5) TO THE PROPERTY OWNER FOR
21 EXECUTION. THE 90-DAY REVIEW PERIOD BY THE DEPARTMENT MAY BE
22 EXTENDED UPON REQUEST OF THE PROPERTY OWNER. THE PROPERTY OWNER
23 SHALL EXECUTE THE QUALIFIED FOREST SCHOOL TAX AFFIDAVIT AND SHALL
24 HAVE THE EXECUTED QUALIFIED FOREST SCHOOL TAX AFFIDAVIT RECORDED BY
25 THE REGISTER OF DEEDS IN THE COUNTY IN WHICH THE PROPERTY IS
26 LOCATED. THE PROPERTY OWNER SHALL PROVIDE A COPY OF THE QUALIFIED
27 FOREST SCHOOL TAX AFFIDAVIT TO THE DEPARTMENT. THE DEPARTMENT SHALL

1 PROVIDE 1 COPY OF THE QUALIFIED FOREST SCHOOL TAX AFFIDAVIT TO THE
2 CONSERVATION DISTRICT AND 1 COPY TO THE DEPARTMENT OF TREASURY.
3 THESE COPIES MAY BE SENT ELECTRONICALLY.

4 (6) IF THE APPLICATION IS DENIED, THE PROPERTY OWNER HAS 30
5 DAYS FROM THE DATE OF NOTIFICATION OF THE DENIAL BY THE DEPARTMENT
6 TO INITIATE AN APPEAL OF THAT DENIAL. AN APPEAL OF THE DENIAL SHALL
7 BE BY CERTIFIED LETTER TO THE DIRECTOR OF THE DEPARTMENT.

8 (7) ~~(2)~~—To claim an exemption under subsection (1), the owner
9 of qualified forest property shall ~~file an affidavit claiming the~~
10 ~~exemption and an approved forest management plan or a certificate~~
11 ~~provided by a third party certifying organization with the~~ PROVIDE
12 A COPY OF THE RECORDED QUALIFIED FOREST SCHOOL TAX AFFIDAVIT
13 ATTESTING THAT THE LAND IS QUALIFIED FOREST PROPERTY TO THE local
14 tax collecting unit by December 31. An owner may claim an exemption
15 under this section for not more than ~~320 acres~~ 640 ACRES MAXIMUM OR
16 THE EQUIVALENT OF 16 SURVEY UNITS CONSISTING OF 1/4 OF 1/4 OF A
17 SECTION of qualified forest property in each local tax collecting
18 unit. If an exemption is granted under this section for less than
19 ~~320~~ 640 acres in a local tax collecting unit, an owner of that
20 property may subsequently claim an exemption for additional
21 property in that local tax collecting unit if that additional
22 property meets the requirements of this section.

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.~~

1 (8) ~~(4) The~~ IF A COPY OF THE RECORDED QUALIFIED FOREST SCHOOL
2 TAX AFFIDAVIT IS PROVIDED BY THE OWNER, THE assessor shall
3 ~~determine if the property is qualified forest property based on a~~
4 ~~recommendation from the department of natural resources and~~
5 ~~confirmation that the acreage limitation set forth in subsection~~
6 ~~(1) has not been reached and if so shall exempt the property from~~
7 the collection of the tax as provided in subsection (1) until
8 December 31 of the year in which the property is no longer
9 qualified forest property.

10 (9) BEGINNING IN THE YEAR THAT QUALIFIED FOREST PROPERTY IS
11 FIRST EXEMPT UNDER THIS SECTION AND EACH YEAR THEREAFTER, THE LOCAL
12 TAX COLLECTING UNIT SHALL COLLECT A FEE EQUAL TO 2 MILLS PER ACRE
13 OF QUALIFIED FOREST PROPERTY EXEMPT UNDER THIS SECTION LOCATED IN
14 THAT LOCAL TAX COLLECTING UNIT AT THE SAME TIME AND IN THE SAME
15 MANNER AS TAXES COLLECTED UNDER THIS ACT. THE ADMINISTRATION FEE
16 SHALL BE RETAINED BY THE LOCAL TAX COLLECTING UNIT. EACH LOCAL TAX
17 COLLECTING UNIT SHALL DISBURSE THE FEE COLLECTED UNDER THIS
18 SUBSECTION TO THE DEPARTMENT OF TREASURY FOR DEPOSIT IN THE PRIVATE
19 FORESTLAND ENHANCEMENT FUND CREATED IN SECTION 51305 OF THE NATURAL
20 RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL
21 324.51305. IF PROPERTY IS NO LONGER EXEMPT AS QUALIFIED FOREST
22 PROPERTY UNDER THIS SECTION, THE FEE UNDER THIS SUBSECTION SHALL
23 NOT BE COLLECTED ON THAT PROPERTY.

24 (10) ~~(5)~~ Not more than 90 days after all or a portion of the
25 exempted property is no longer qualified forest property, the owner
26 shall rescind the exemption for the applicable portion of the
27 property by filing with the ~~local tax collecting unit~~ REGISTER OF

1 **DEEDS FOR THE COUNTY IN WHICH THE EXEMPTED PROPERTY IS LOCATED** a
2 rescission form prescribed by the department. ~~of treasury. THE~~
3 **RESCISSION FORM SHALL INCLUDE A LEGAL DESCRIPTION OF THE EXEMPTED**
4 **PROPERTY.** An owner who fails to file a rescission as required by
5 this subsection is subject to a penalty of \$5.00 per day for each
6 separate failure beginning after the 90 days have elapsed, up to a
7 maximum of \$1,000.00. This penalty shall be collected under 1941 PA
8 122, MCL 205.1 to 205.31, and shall be deposited in the ~~general~~
9 ~~fund of this state.~~ **PRIVATE FORESTLAND ENHANCEMENT FUND.**

10 (11) ~~(6)~~ An owner of property that is qualified forest
11 property on December 31 for which an exemption was not on the tax
12 roll may file an appeal with the July or December board of review
13 under section 53b in the year the exemption was claimed or the
14 immediately succeeding year. An owner of property that is qualified
15 forest property on May 1 for which an exemption was denied by the
16 assessor in the year the affidavit was filed may file an appeal
17 with the July board of review for summer taxes or, if there is not
18 a summer levy of school operating taxes, with the December board of
19 review under section 53b.

20 ~~—— (7) If the assessor of the local tax collecting unit believes~~
21 ~~that the property for which an exemption has been granted is not~~
22 ~~qualified forest property based on a recommendation from the~~
23 ~~department of natural resources, the assessor may deny or modify an~~
24 ~~existing exemption by notifying the owner in writing at the time~~
25 ~~required for providing a notice under section 24c. A taxpayer may~~
26 ~~appeal the assessor's determination to the board of review meeting~~
27 ~~under section 30. A decision of the board of review may be appealed~~

1 ~~to the residential and small claims division of the Michigan tax~~
 2 ~~tribunal.~~

3 (12) ~~(8)~~—If property for which an exemption has been granted
 4 under this section is not qualified forest property, the property
 5 that had been subject to that exemption shall be immediately placed
 6 on the tax roll by the local tax collecting unit if the local tax
 7 collecting unit has possession of the tax roll or by the county
 8 treasurer if the county has possession of the tax roll as though
 9 the exemption had not been granted. A corrected tax bill shall be
 10 issued for each tax year being adjusted by the local tax collecting
 11 unit if the local tax collecting unit has possession of the tax
 12 roll or by the county treasurer if the county has possession of the
 13 tax roll.

14 (13) ~~(9)~~—If **ALL OR A PORTION OF** property for which an
 15 exemption has been granted under this section is converted by a
 16 change in use and is no longer qualified forest property, ~~the~~
 17 ~~property is subject to the qualified forest property recapture tax~~
 18 **levied—AN OWNER SHALL IMMEDIATELY NOTIFY THE LOCAL TAX COLLECTING**
 19 **UNIT, THE DEPARTMENT, AND THE DEPARTMENT OF TREASURY ON A FORM**
 20 **CREATED BY THE DEPARTMENT. THE FORM SHALL INCLUDE A LEGAL**
 21 **DESCRIPTION OF THE EXEMPTED PROPERTY. A COPY OF THE FORM SHALL BE**
 22 **FILED WITH THE REGISTER OF DEEDS FOR THE COUNTY IN WHICH THE**
 23 **EXEMPTED PROPERTY IS LOCATED. UPON NOTICE THAT PROPERTY IS NO**
 24 **LONGER QUALIFIED FOREST PROPERTY, THE LOCAL TAX COLLECTING UNIT**
 25 **SHALL IMMEDIATELY RESCIND THE EXEMPTION UNDER THIS SECTION AND**
 26 **SHALL PLACE THE PROPERTY ON THE TAX ROLL FOR THE IMMEDIATELY**
 27 **SUCCEEDING TAX YEAR AND THE DEPARTMENT OF TREASURY SHALL**

1 IMMEDIATELY BEGIN COLLECTION OF ANY APPLICABLE TAX AND PENALTY
 2 UNDER THIS ACT OR under the qualified forest property recapture tax
 3 act, 2006 PA 379, MCL 211.1031 TO 211.1036. An owner of qualified
 4 forest property shall inform a prospective buyer of that qualified
 5 forest property that the qualified forest property is subject to
 6 the recapture tax provided in the qualified forest property
 7 recapture tax act, 2006 PA 379, MCL 211.1031 TO 211.1036, if the
 8 qualified forest property is converted by a change in use. HOWEVER,
 9 BEGINNING JANUARY 1, 2013 AND ENDING SEPTEMBER 30, 2013, OWNERS OF
 10 PROPERTY EXEMPT AS QUALIFIED FOREST PROPERTY PRIOR TO JANUARY 1,
 11 2013 MAY EXECUTE A NEW QUALIFIED FOREST SCHOOL TAX AFFIDAVIT UNDER
 12 THIS SECTION. IF AN OWNER OF QUALIFIED FOREST PROPERTY ELECTS NOT
 13 TO EXECUTE A NEW QUALIFIED FOREST SCHOOL TAX AFFIDAVIT UNDER THIS
 14 SECTION, THE EXISTING AFFIDAVIT SHALL BE RESCINDED WITHOUT PENALTY
 15 AND THE PROPERTY SHALL BE PLACED ON THE TAX ROLL AS THOUGH THE
 16 EXEMPTION UNDER THIS SECTION HAD NOT BEEN GRANTED. IF A LANDOWNER
 17 ELECTS NOT TO EXECUTE A QUALIFIED FOREST SCHOOL TAX AFFIDAVIT UNDER
 18 THIS SECTION, THE PROPERTY IS NOT SUBJECT TO THE RECAPTURE TAX
 19 PROVIDED FOR UNDER THE QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT,
 20 2006 PA 379, MCL 211.1031 TO 211.1036.

21 (14) ~~(10)~~ If qualified forest property is exempt under this
 22 section, an owner of that qualified forest property shall annually
 23 report to the department of natural resources on a form prescribed
 24 by the department of natural resources the amount of timber
 25 produced on that qualified forest property and whether any
 26 buildings or structures have been constructed on the qualified
 27 forest property. WHEN A FOREST PRACTICE OR TIMBER HARVEST HAS

1 OCCURRED ON THE QUALIFIED FOREST PROPERTY DURING A CALENDAR YEAR.
2 THE REPORT SHALL INDICATE THE FOREST PRACTICE COMPLETED OR THE
3 VOLUME AND VALUE OF TIMBER HARVESTED ON THAT QUALIFIED FOREST
4 PROPERTY. ONE COPY OF THE FORM SHALL BE FORWARDED TO THE
5 CONSERVATION DISTRICT, AND 1 COPY SHALL BE RETAINED BY THE
6 DEPARTMENT FOR 7 YEARS. IF IT IS DETERMINED BY THE DEPARTMENT THAT
7 A FOREST PRACTICE OR HARVEST HAS OCCURRED IN A CALENDAR YEAR AND NO
8 REPORT WAS FILED, A FINE OF \$500.00 MAY BE COLLECTED BY THE
9 DEPARTMENT. Beginning in 2008, and every 3 years thereafter, the
10 department of ~~natural resources~~ shall provide to the standing
11 committees of the senate and house of representatives with primary
12 jurisdiction over forestry issues a report that includes all of the
13 following:

14 (a) The number of acres of qualified forest property in each
15 county.

16 (b) The amount of timber produced on qualified forest property
17 each year.

18 (15) WHILE QUALIFIED FOREST PROPERTY IS EXEMPT UNDER THIS
19 SECTION, THE OWNER SHALL RETAIN THE CURRENT MANAGEMENT PLAN, MOST
20 RECENT HARVEST RECORDS, RECORDED COPY OF A RECEIPT OF THE TAX
21 EXEMPTION, AND A MAP THAT SHOWS THE LOCATION AND SIZE OF ANY
22 BUILDINGS AND STRUCTURES ON THE PROPERTY. THE OWNER SHALL MAKE THE
23 DOCUMENTS AVAILABLE TO THE DEPARTMENT UPON REQUEST. THE DEPARTMENT
24 SHALL MAINTAIN A DATABASE LISTING ALL QUALIFIED FOREST PROPERTIES,
25 INCLUDING THE DATES INDICATED FOR FOREST PRACTICES AND HARVESTS IN
26 THE FOREST MANAGEMENT PLAN, AND SHALL NOTIFY THE LANDOWNER AND THE
27 CONSERVATION DISTRICT IN ANY YEAR THAT FOREST PRACTICES OR HARVESTS

1 ARE TO OCCUR. IF AN OWNER DOES NOT ACCOMPLISH FOREST PRACTICES
2 WITHIN 1 YEAR AND HARVESTS WITHIN 3 YEARS OF THE CURRENT FOREST
3 MANAGEMENT PLAN, AND THE PLAN HAS NOT BEEN AMENDED TO EXTEND THE
4 DATE OF FOREST PRACTICES AND HARVESTS, THE PROPERTY IS NOT ELIGIBLE
5 FOR THE EXEMPTION UNDER THIS SECTION AND THE QUALIFIED FOREST
6 PROPERTY SHALL BE PLACED ON THE TAX ROLL AS PROVIDED IN THIS
7 SECTION AND SHALL BE SUBJECT TO REPAYMENT AS INDICATED IN THE
8 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT, 2006 PA 379, MCL
9 211.1031 TO 211.1036.

10 (16) ~~(11)~~ As used in this section:

11 (a) "Approved forest management plan" means ~~1 of the~~
12 ~~following:~~

13 ~~—— (i) A forest management plan approved by the department of~~
14 ~~natural resources. DEVELOPED BY A QUALIFIED FORESTER.~~ An owner of
15 property ~~may~~ **SHALL** submit a ~~proposed~~ forest management plan to the
16 department of natural resources for approval **AS PRESCRIBED IN**
17 **SUBSECTION (2)**. The ~~proposed~~ forest management plan shall include a
18 statement signed by the owner that he or she agrees to comply with
19 all terms and conditions contained in the approved forest
20 management plan. ~~The department of natural resources may charge a~~
21 ~~fee of not more than \$200.00 for the consideration of each proposed~~
22 ~~forest management plan submitted. The department of natural~~
23 ~~resources shall review and either approve or disapprove each~~
24 ~~proposed forest management plan submitted. IF A FOREST MANAGEMENT~~
25 **PLAN AND APPLICATION ARE SUBMITTED TO THE DEPARTMENT, THE**
26 **DEPARTMENT SHALL REVIEW AND EITHER APPROVE OR DISAPPROVE THE**
27 **OWNER'S APPLICATION WITHIN 90 DAYS OF SUBMISSION. APPROVAL OF THE**

1 PLAN SHALL BE BASED SOLELY ON COMPLIANCE WITH THE ELEMENTS REQUIRED
 2 IN SUBDIVISION (F). DENIAL OF THE PLAN SHALL BE BASED SOLELY ON
 3 NONCOMPLIANCE WITH THE REQUIREMENTS LISTED IN SUBDIVISION (F). If
 4 the department of natural resources disapproves a proposed forest
 5 management plan, the department of natural resources shall indicate
 6 the changes necessary to qualify the proposed forest management
 7 plan for approval on subsequent review. At the request of the owner
 8 submitting a proposed forest management plan, the department of
 9 natural resources may agree to complete a proposed forest
 10 management plan. An owner and the department of natural resources
 11 may mutually agree to amend **LIMITED AMENDMENTS OF** a proposed forest
 12 management plan or an approved forest management plan. A forest
 13 management plan submitted to the department of natural resources
 14 for approval shall not extend beyond a period of 20 years. An **BE**
 15 **FOR A MINIMUM OF 30 YEARS. TO CONTINUE RECEIVING AN EXEMPTION UNDER**
 16 **THIS SECTION, AN** owner of property may **SHALL** submit a **DIGITAL COPY**
 17 **OF ANY** succeeding proposed forest management plan to the department
 18 of natural resources for approval **TOGETHER WITH A FEE OF \$50.00.**
 19 **MUTUALLY AGREED TO LIMITED AMENDMENTS OF THE APPROVED FOREST**
 20 **MANAGEMENT PLAN SHALL NOT BE SUBJECT TO A FEE OF \$50.00.**

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

23 (B) "CONSERVATION DISTRICT" MEANS A CONSERVATION DISTRICT
 24 ORGANIZED UNDER PART 93 OF THE NATURAL RESOURCES AND ENVIRONMENTAL
 25 PROTECTION ACT, 1994 PA 451, MCL 324.9301 TO 324.9313.

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

1 act, 2006 PA 379, MCL 211.1032.

2 (D) "DEPARTMENT" MEANS THE DEPARTMENT OF AGRICULTURE AND RURAL
3 DEVELOPMENT.

4 (E) "FOREST MANAGEMENT PLAN" MEANS A WRITTEN PLAN PREPARED AND
5 SIGNED BY A QUALIFIED FORESTER THAT PRESCRIBES MEASURES TO OPTIMIZE
6 PRODUCTION, UTILIZATION, AND REGENERATION OF FOREST RESOURCES. THE
7 FOREST MANAGEMENT PLAN SHALL INCLUDE A SCHEDULE AND TIMETABLES FOR
8 THE VARIOUS SILVICULTURAL PRACTICES USED ON FORESTLANDS, WHICH
9 SHALL BE A MINIMUM OF 30 YEARS IN LENGTH. A FOREST MANAGEMENT PLAN
10 SHALL INCLUDE ALL OF THE FOLLOWING:

11 (i) THE NAME AND ADDRESS OF EACH OWNER OF THE PROPERTY.

12 (ii) THE LEGAL DESCRIPTION AND PARCEL IDENTIFICATION NUMBER OF
13 THE PROPERTY OR OF THE PARCEL ON WHICH THE PROPERTY IS LOCATED.

14 (iii) A STATEMENT OF THE OWNER'S FOREST MANAGEMENT OBJECTIVES.

15 (iv) A MAP, DIAGRAM, OR AERIAL PHOTOGRAPH THAT IDENTIFIES BOTH
16 FORESTED AND UNFORESTED AREAS OF THE PROPERTY, USING CONVENTIONAL
17 MAP SYMBOLS INDICATING THE SPECIES, SIZE, AND STOCKING RATE AND
18 OTHER MAJOR FEATURES OF THE PROPERTY, INCLUDING THE LOCATION OF ANY
19 BUILDINGS. THE LOCATION AND USE OF ANY BUILDINGS CAN BE ESTABLISHED
20 ON A MAP CREATED BY A QUALIFIED FORESTER AND DOES NOT REQUIRE A
21 SURVEY BY A REGISTERED SURVEYOR.

22 (v) A DESCRIPTION OF FOREST PRACTICE, INCLUDING HARVESTING,
23 THINNING, AND REFORESTATION, THAT WILL BE UNDERTAKEN, SPECIFYING
24 THE APPROXIMATE PERIOD OF TIME BEFORE EACH IS COMPLETED.

25 (vi) A DESCRIPTION OF SOIL CONSERVATION PRACTICES THAT MAY BE
26 NECESSARY TO CONTROL ANY SOIL EROSION THAT MAY RESULT FROM THE
27 FOREST PRACTICE DESCRIBED PURSUANT TO SUBPARAGRAPH (v).

1 (vii) A DESCRIPTION OF ACTIVITIES THAT MAY BE UNDERTAKEN FOR
2 THE MANAGEMENT OF FOREST RESOURCES OTHER THAN TREES, INCLUDING
3 WILDLIFE HABITAT, WATERSHEDS, AND AESTHETIC FEATURES.

4 (F) "FOREST PRACTICE" INCLUDES, BUT IS NOT LIMITED TO, ANY OF
5 THE FOLLOWING:

6 (i) THE PREPARATION OF FOREST MANAGEMENT PLANS FOR FORESTLAND.

7 (ii) THE IMPROVEMENT OF SPECIES OF FOREST TREES.

8 (iii) REFORESTATION.

9 (iv) THE HARVESTING OF SPECIES OF FOREST TREES.

10 (v) ROAD CONSTRUCTION ASSOCIATED WITH THE IMPROVEMENT OR
11 HARVESTING OF FOREST TREE SPECIES OR REFORESTATION.

12 (vi) USE OF CHEMICALS OR FERTILIZERS FOR THE PURPOSE OF GROWING
13 OR MANAGING SPECIES OF FOREST TREES.

14 (vii) APPLICABLE SILVICULTURAL PRACTICES.

15 (viii) ANY OTHER ACTIONS INTENDED TO IMPROVE FORESTLAND OR
16 FOREST RESOURCES.

17 (G) ~~(e)~~ "Forest products" includes, but is not limited to,
18 timber and pulpwood-related products.

19 (H) "HARVEST" MEANS THE POINT AT WHICH TIMBER THAT HAS BEEN
20 CUT, SEVERED, OR REMOVED FOR PURPOSES OF SALE OR USE IS FIRST
21 MEASURED IN THE ORDINARY COURSE OF BUSINESS AS DETERMINED BY
22 REFERENCE TO COMMON PRACTICE IN THE TIMBER INDUSTRY.

23 ~~—— (d) "Natural resources professional" and "registered forester"~~
24 ~~mean those terms as defined in section 51101 of the natural~~
25 ~~resources and environmental protection act, 1994 PA 451, MCL~~
26 ~~324.51101.~~

27 ~~—— (e) "Proposed forest management plan" means a proposed plan~~

1 ~~for sustainable forest management that includes, but is not limited~~
 2 ~~to, harvesting, planting, and regeneration of forest products on a~~
 3 ~~parcel of property that is prepared by a qualified forester. A~~
 4 ~~proposed forest management plan shall include all of the following:~~

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

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

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

9 ~~—— (iv) A map, diagram, or aerial photograph that identified both~~
 10 ~~forested and unforested areas of the property, using conventional~~
 11 ~~map symbols indicating the species, size, and density of vegetation~~
 12 ~~and other major features of the property.~~

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

16 ~~—— (vi) A description of soil conservation practices that may be~~
 17 ~~necessary to control any soil erosion that may result from the~~
 18 ~~forestry practices described pursuant to subparagraph (v).~~

19 ~~—— (vii) A proposed forest management plan shall also include a~~
 20 ~~description of activities that may be undertaken for the management~~
 21 ~~of forest resources other than trees, including wildlife habitat,~~
 22 ~~watersheds, and aesthetic features.~~

23 (I) ~~(f)~~—"Qualified forest property" means a parcel of real
 24 property that meets all of the following conditions as determined
 25 by the department of ~~natural resources~~: **AGRICULTURE AND RURAL**
 26 **DEVELOPMENT:**

27 (i) Is not less than ~~20~~10 contiguous acres in size, of which

1 not less than ~~80%~~50% is **STOCKED WITH** productive forest capable of
 2 producing ~~wood~~**FOREST** products. Contiguity is not broken by a road,
 3 a right-of-way, or property purchased or taken under condemnation
 4 proceedings by a public utility for power transmission lines if the
 5 2 parcels separated by the purchased or condemned property were a
 6 single parcel prior to the sale or condemnation. As used in this
 7 subparagraph, "productive forest" means real property capable of
 8 growing not less than 20 cubic feet of wood per acre per year.
 9 However, if property has been considered productive forest, an act
 10 of God that negatively affects that property shall not result in
 11 that property not being considered productive forest.

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

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

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

16 (iii) **FOR A PARCEL EXEMPT AS QUALIFIED AGRICULTURAL PROPERTY**
 17 **UNDER SECTION 7EE, THE QUALIFIED FOREST PORTION OF THE PARCEL SHALL**
 18 **BE NOT LESS THAN 10 CONTIGUOUS ACRES OF WHICH NOT LESS THAN 50% IS**
 19 **PRODUCTIVE FOREST CAPABLE OF PRODUCING FOREST PRODUCTS.**

20 (J) ~~(g)~~—"Qualified forester" means ~~natural resources~~
 21 ~~professional, a registered forester, or a conservation district~~
 22 ~~forester.~~**AN INDIVIDUAL WHO MEETS 1 OR MORE OF THE FOLLOWING**
 23 **REQUIREMENTS AND HAS REGISTERED WITH THE DEPARTMENT OF AGRICULTURE**
 24 **AND RURAL DEVELOPMENT UNDER SECTION 51306 OF THE NATURAL RESOURCES**
 25 **AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51306:**

26 (i) **IS A FORESTER CERTIFIED BY THE SOCIETY OF AMERICAN**
 27 **FORESTERS.**

1 (ii) IS A FOREST STEWARDSHIP PLAN WRITER.

2 (iii) IS A TECHNICAL SERVICE PROVIDER AS REGISTERED BY THE
3 UNITED STATES DEPARTMENT OF AGRICULTURE FOR FOREST MANAGEMENT PLAN
4 DEVELOPMENT.

5 ~~—— (h) "Third party certifying organization" means an independent~~
6 ~~third party organization that assesses and evaluates forest~~
7 ~~management practices according to the standards of a certification~~
8 ~~program that measures whether forest management practices are~~
9 ~~consistent with principles of sustainable forestry. Third party~~
10 ~~certifying organization includes, but is not limited to, the forest~~
11 ~~stewardship council and the sustainable forest initiative.~~

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

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

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

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

24 (3) Upon a transfer of ownership of property after 1994, the
25 property's taxable value for the calendar year following the year
26 of the transfer is the property's state equalized valuation for the
27 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) Except as otherwise provided in this subdivision, a
19 conveyance of an ownership interest in a corporation, partnership,
20 sole proprietorship, limited liability company, limited liability
21 partnership, or other legal entity if the ownership interest
22 conveyed is more than 50% of the corporation, partnership, sole
23 proprietorship, limited liability company, limited liability
24 partnership, or other legal entity. Unless notification is provided
25 under subsection (10), the corporation, partnership, sole
26 proprietorship, limited liability company, limited liability
27 partnership, or other legal entity shall notify the assessing

1 officer on a form provided by the state tax commission not more
2 than 45 days after a conveyance of an ownership interest that
3 constitutes a transfer of ownership under this subdivision. Both of
4 the following apply to a corporation subject to 1897 PA 230, MCL
5 455.1 to 455.24:

6 (i) A transfer of stock of the corporation is a transfer of
7 ownership only with respect to the real property that is assessed
8 to the transferor lessee stockholder.

9 (ii) A cumulative conveyance of more than 50% of the
10 corporation's stock does not constitute a transfer of ownership of
11 the corporation's real property.

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

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

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

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

21 (b) A transfer from a husband, a wife, or a husband and wife
22 creating or disjoining a tenancy by the entirety in the grantors
23 or the grantor and his or her spouse.

24 (c) A transfer of that portion of property subject to a life
25 estate or life lease retained by the transferor, until expiration
26 or termination of the life estate or life lease. That portion of
27 property transferred that is not subject to a life lease shall be

1 adjusted under subsection (3).

2 (d) A transfer through foreclosure or forfeiture of a recorded
3 instrument under chapter 31, 32, or 57 of the revised judicature
4 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701
5 to 600.5759, or through deed or conveyance in lieu of a foreclosure
6 or forfeiture, until the mortgagee or land contract vendor
7 subsequently transfers the property. If a mortgagee does not
8 transfer the property within 1 year of the expiration of any
9 applicable redemption period, the property shall be adjusted under
10 subsection (3).

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

13 (f) A conveyance to a trust if the settlor or the settlor's
14 spouse, or both, conveys the property to the trust and the sole
15 present beneficiary of the trust is the settlor or the settlor's
16 spouse, or both.

17 (g) A transfer pursuant to a judgment or order of a court of
18 record making or ordering a transfer, unless a specific monetary
19 consideration is specified or ordered by the court for the
20 transfer.

21 (h) A transfer creating or terminating a joint tenancy between
22 2 or more persons if at least 1 of the persons was an original
23 owner of the property before the joint tenancy was initially
24 created and, if the property is held as a joint tenancy at the time
25 of conveyance, at least 1 of the persons was a joint tenant when
26 the joint tenancy was initially created and that person has
27 remained a joint tenant since the joint tenancy was initially

1 created. A joint owner at the time of the last transfer of
2 ownership of the property is an original owner of the property. For
3 purposes of this subdivision, a person is an original owner of
4 property owned by that person's spouse.

5 (i) A transfer for security or an assignment or discharge of a
6 security interest.

7 (j) A transfer of real property or other ownership interests
8 among members of an affiliated group. As used in this subsection,
9 "affiliated group" means 1 or more corporations connected by stock
10 ownership to a common parent corporation. Upon request by the state
11 tax commission, a corporation shall furnish proof within 45 days
12 that a transfer meets the requirements of this subdivision. A
13 corporation that fails to comply with a request by the state tax
14 commission under this subdivision is subject to a fine of \$200.00.

15 (k) Normal public trading of shares of stock or other
16 ownership interests that, over any period of time, cumulatively
17 represent more than 50% of the total ownership interest in a
18 corporation or other legal entity and are traded in multiple
19 transactions involving unrelated individuals, institutions, or
20 other legal entities.

21 (l) A transfer of real property or other ownership interests
22 among corporations, partnerships, limited liability companies,
23 limited liability partnerships, or other legal entities if the
24 entities involved are commonly controlled. Upon request by the
25 state tax commission, a corporation, partnership, limited liability
26 company, limited liability partnership, or other legal entity shall
27 furnish proof within 45 days that a transfer meets the requirements

1 of this subdivision. A corporation, partnership, limited liability
2 company, limited liability partnership, or other legal entity that
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 (m) A direct or indirect transfer of real property or other
6 ownership interests resulting from a transaction that qualifies as
7 a tax-free reorganization under section 368 of the internal revenue
8 code, 26 USC 368. Upon request by the state tax commission, a
9 property owner shall furnish proof within 45 days that a transfer
10 meets the requirements of this subdivision. A property owner who
11 fails to comply with a request by the state tax commission under
12 this subdivision is subject to a fine of \$200.00.

13 (n) A transfer of qualified agricultural property, if the
14 person to whom the qualified agricultural property is transferred
15 files an affidavit with the assessor of the local tax collecting
16 unit in which the qualified agricultural property is located and
17 with the register of deeds for the county in which the qualified
18 agricultural property is located attesting that the qualified
19 agricultural property shall remain qualified agricultural property.
20 The affidavit under this subdivision shall be in a form prescribed
21 by the department of treasury. An owner of qualified agricultural
22 property shall inform a prospective buyer of that qualified
23 agricultural property that the qualified agricultural property is
24 subject to the recapture tax provided in the agricultural property
25 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the
26 qualified agricultural property is converted by a change in use. If
27 property ceases to be qualified agricultural property at any time

1 after being transferred, all of the following shall occur:

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

5 (ii) The property is subject to the recapture tax provided for
6 under the agricultural property recapture act, 2000 PA 261, MCL
7 211.1001 to 211.1007.

8 (o) A transfer of qualified forest property, if the person to
9 whom the qualified forest property is transferred files ~~an~~**A**
10 **QUALIFIED FOREST TAXABLE VALUE** affidavit with the assessor of the
11 local tax collecting unit in which the qualified forest property is
12 located and with the register of deeds for the county in which the
13 qualified forest property is located attesting that the qualified
14 forest property shall remain qualified forest property. The
15 **QUALIFIED FOREST TAXABLE VALUE** affidavit under this subdivision
16 shall be in a form prescribed by the department of ~~treasury~~
17 **AGRICULTURE AND RURAL DEVELOPMENT. THE QUALIFIED FOREST TAXABLE**
18 **VALUE AFFIDAVIT SHALL INCLUDE A LEGAL DESCRIPTION OF THE QUALIFIED**
19 **FOREST PROPERTY, THE NAME OF THE NEW PROPERTY OWNER, THE YEAR THE**
20 **TRANSFER OF THE PROPERTY OCCURRED, A STATEMENT INDICATING THAT THE**
21 **PROPERTY OWNER IS ATTESTING THAT THE PROPERTY FOR WHICH THE**
22 **EXEMPTION IS CLAIMED IS QUALIFIED FOREST PROPERTY AND WILL BE**
23 **MANAGED ACCORDING TO THE APPROVED FOREST MANAGEMENT PLAN, AND ANY**
24 **OTHER INFORMATION PERTINENT TO THE PARCEL AND THE PROPERTY OWNER.**
25 **THE PROPERTY OWNER SHALL PROVIDE A COPY OF THE QUALIFIED FOREST**
26 **TAXABLE VALUE AFFIDAVIT TO THE DEPARTMENT. THE DEPARTMENT SHALL**
27 **PROVIDE 1 COPY OF THE QUALIFIED FOREST TAXABLE VALUE AFFIDAVIT TO**

1 THE LOCAL TAX COLLECTING UNIT, 1 COPY TO THE CONSERVATION DISTRICT,
2 AND 1 COPY TO THE DEPARTMENT OF TREASURY. THESE COPIES MAY BE SENT
3 ELECTRONICALLY. An owner of qualified forest property shall inform
4 a prospective buyer of that qualified forest property that the
5 qualified forest property is subject to the recapture tax provided
6 in the qualified forest property recapture tax act, 2006 PA 379,
7 MCL 211.1031 to 211.1036, if the qualified forest property is
8 converted by a change in use. If property ceases to be qualified
9 forest property at any time after being transferred, all of the
10 following shall occur:

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

14 (ii) ~~The~~ EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (iii), THE
15 property is subject to the recapture tax provided for under the
16 qualified forest property recapture tax act, 2006 PA 379, MCL
17 211.1031 to 211.1036.

18 (iii) BEGINNING JANUARY 1, 2013 AND ENDING SEPTEMBER 30, 2013,
19 OWNERS OF PROPERTY ENROLLED AS QUALIFIED FOREST PROPERTY PRIOR TO
20 JANUARY 1, 2013 MAY EXECUTE A NEW QUALIFIED FOREST TAXABLE VALUE
21 AFFIDAVIT WITH THE DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT.
22 IF A LANDOWNER ELECTS NOT TO EXECUTE A QUALIFIED FOREST TAXABLE
23 VALUE AFFIDAVIT, THE EXISTING AFFIDAVIT SHALL BE RESCINDED, WITHOUT
24 SUBJECTING THE PROPERTY TO THE RECAPTURE TAX PROVIDED FOR UNDER THE
25 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT, 2006 PA 379, MCL
26 211.1031 TO 211.1036, AND THE TAXABLE VALUE OF THAT PROPERTY SHALL
27 BE ADJUSTED UNDER SUBSECTION (3).

1 (p) Beginning on the effective date of the amendatory act that
2 added this subdivision, a transfer of land, but not buildings or
3 structures located on the land, which meets 1 or more of the
4 following requirements:

5 (i) The land is subject to a conservation easement under
6 subpart 11 of part 21 of the natural resources and environmental
7 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in
8 this subparagraph, "conservation easement" means that term as
9 defined in section 2140 of the natural resources and environmental
10 protection act, 1994 PA 451, MCL 324.2140.

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

15 (q) A transfer of real property or other ownership interests
16 resulting from a consolidation or merger of a domestic nonprofit
17 corporation that is a boy or girl scout or camp fire girls
18 organization, a 4-H club or foundation, a young men's Christian
19 association, or a young women's Christian association and at least
20 50% of the members of that organization or association are
21 residents of this state.

22 (r) A change to the assessment roll or tax roll resulting from
23 the application of section 16a of 1897 PA 230, MCL 455.16a.

24 (8) If all of the following conditions are satisfied, the
25 local tax collecting unit shall revise the taxable value of
26 qualified agricultural property taxable on the tax roll in the
27 possession of that local tax collecting unit to the taxable value

1 that qualified agricultural property would have had if there had
2 been no transfer of ownership of that qualified agricultural
3 property since December 31, 1999 and there had been no adjustment
4 of that qualified agricultural property's taxable value under
5 subsection (3) since December 31, 1999:

6 (a) The qualified agricultural property was qualified
7 agricultural property for taxes levied in 1999 and each year after
8 1999.

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

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

17 (10) The register of deeds of the county where deeds or other
18 title documents are recorded shall notify the assessing officer of
19 the appropriate local taxing unit not less than once each month of
20 any recorded transaction involving the ownership of property and
21 shall make any recorded deeds or other title documents available to
22 that county's tax or equalization department. Unless notification
23 is provided under subsection (6), the buyer, grantee, or other
24 transferee of the property shall notify the appropriate assessing
25 office in the local unit of government in which the property is
26 located of the transfer of ownership of the property within 45 days
27 of the transfer of ownership, on a form prescribed by the state tax

1 commission that states the parties to the transfer, the date of the
2 transfer, the actual consideration for the transfer, and the
3 property's parcel identification number or legal description. Forms
4 filed in the assessing office of a local unit of government under
5 this subsection shall be made available to the county tax or
6 equalization department for the county in which that local unit of
7 government is located. This subsection does not apply to personal
8 property except buildings described in section 14(6) and personal
9 property described in section 8(h), (i), and (j).

10 (11) As used in this section:

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

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

15 (c) "Converted by a change in use" means that term as defined
16 in the agricultural property recapture act, 2000 PA 261, MCL
17 211.1001 to 211.1007.

18 (d) "Inflation rate" means that term as defined in section
19 34d.

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

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

23 (g) "Qualified forest property" means that term as defined in
24 section 7jj[1].

25 Enacting section 1. This amendatory act does not take effect
26 unless all of the following bills of the 96th Legislature are
27 enacted into law:

1 (a) Senate Bill No. 1057.

2 (b) Senate Bill No. 1058.

3 (c) Senate Bill No. 1061.

4 (d) Senate Bill No. 1062.

5 (e) House Bill No. 4302.

6 (f) House Bill No. 4969.

7 (g) House Bill No. 4970.

8 Enacting section 2. This amendatory act takes effect January
9 1, 2013.