

SENATE BILL No. 1060

March 29, 2012, Introduced by Senators BOOHER, GREEN, BRANDENBURG and CASPERSON and referred to the Committee on Natural Resources, Environment and Great Lakes.

A bill to amend 2006 PA 379, entitled "Qualified forest property recapture tax act," by amending section 4 (MCL 211.1034).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. The recapture tax under this act shall be imposed at
2 the following rate:

3 (a) If the property is converted by a change in use and there
4 have not been 1 or more harvests of forest products on that
5 property consistent with the approved forest management plan, the
6 recapture tax shall be calculated in the following manner:

7 (i) Multiply the property's ~~state equalized valuation~~ **TAXABLE**
8 **VALUE** at the time the property is converted by a change in use by
9 ~~the total millage rate levied by all taxing units in the local tax~~
10 ~~collecting unit in which the property is located.~~ **THE NUMBER OF**
11 **OPERATING MILLS LEVIED BY THE LOCAL SCHOOL DISTRICT IN WHICH THE**

1 PROPERTY IS LOCATED UNDER SECTION 1211 OF THE REVISED SCHOOL CODE,
2 1976 PA 451, MCL 380.1211.

3 (ii) Multiply the product of the calculation under subparagraph
4 (i) by ~~7~~-THE NUMBER OF YEARS THE PROPERTY HAD BEEN EXEMPT AS
5 QUALIFIED FOREST PROPERTY UNDER SECTION 7JJ OF THE GENERAL PROPERTY
6 TAX ACT, 1893 PA 206, MCL 211.7JJ[1], BEFORE THE PROPERTY WAS
7 CONVERTED BY A CHANGE IN USE, NOT TO EXCEED THE 7 YEARS IMMEDIATELY
8 PRECEDING THE YEAR IN WHICH THE QUALIFIED FOREST PROPERTY IS
9 CONVERTED BY A CHANGE IN USE.

10 (iii) Multiply the product of the calculation under subparagraph
11 (ii) by 2.

12 (b) If the property is converted by a change in use and there
13 have been 1 or more harvests of forest products on that property
14 consistent with the approved forest management plan, the recapture
15 tax shall be calculated in the following manner:

16 (i) Multiply the property's ~~state equalized valuation~~-**TAXABLE**
17 **VALUE** at the time the property is converted by a change in use by
18 ~~the total millage rate levied by all taxing units in the local tax~~
19 ~~collecting unit in which the property is located~~-**THE NUMBER OF**
20 **OPERATING MILLS LEVIED BY THE LOCAL SCHOOL DISTRICT IN WHICH THE**
21 **PROPERTY IS LOCATED UNDER SECTION 1211 OF THE REVISED SCHOOL CODE,**
22 **1976 PA 451, MCL 380.1211.**

23 (ii) Multiply the product of the calculation under subparagraph
24 (i) by ~~7~~-THE NUMBER OF YEARS THE PROPERTY HAD BEEN EXEMPT AS
25 QUALIFIED FOREST PROPERTY UNDER SECTION 7JJ OF THE GENERAL PROPERTY
26 TAX ACT, 1893 PA 206, MCL 211.7JJ[1], BEFORE THE PROPERTY WAS
27 CONVERTED BY A CHANGE IN USE, NOT TO EXCEED THE 7 YEARS IMMEDIATELY

1 PRECEDING THE YEAR IN WHICH THE QUALIFIED FOREST PROPERTY IS
2 CONVERTED BY A CHANGE IN USE.

3 (c) In addition to the recapture tax calculated under
4 subdivision (a) or (b), if property is converted by a change in use
5 and the taxable value of the property was not adjusted under
6 section 27a(3) of the general property tax act, 1893 PA 206, MCL
7 211.27a, after a transfer of ownership of the property due to the
8 provisions of section 27a(7)(o) of the general property tax act,
9 1893 PA 206, MCL 211.27a, the recapture tax shall include the
10 benefit received on that property.