

HOUSE BILL No. 4211

February 9, 2011, Introduced by Rep. Haines and referred to the Committee on Tax Policy.

A bill to provide for the exemption of certain property from certain taxes; to levy and collect a specific tax upon the owners of certain property; to provide for the disposition of the tax; to prescribe the powers and duties of certain local government officials; and to provide penalties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "adverse construction specific tax act".

3 Sec. 2. As used in this act:

4 (a) "Commission" means the state tax commission created by
5 1927 PA 360, MCL 209.101 to 209.107.

6 (b) "Construction project" and "eligible business" mean those

1 terms as defined in section 700 of the general property tax act,
2 1893 PA 206, MCL 211.700.

3 (c) "Taxable value" means the taxable value as determined
4 under section 27a of the general property tax act, 1893 PA 206, MCL
5 211.27a.

6 Sec. 3. Real and personal property of an eligible business is
7 exempt from ad valorem property taxes collected under the general
8 property tax act, 1893 PA 206, MCL 211.1 to 211.155, as provided
9 under section 700 of the general property tax act, 1893 PA 206, MCL
10 211.700.

11 Sec. 4. The assessor of each local tax collecting unit in
12 which there is property of an eligible business exempt under
13 section 700 of the general property tax act, 1893 PA 206, MCL
14 211.700, shall determine annually as of December 31 the value and
15 taxable value of each parcel of that property located in that local
16 tax collecting unit.

17 Sec. 5. (1) There is levied upon the owner of every parcel of
18 property of an eligible business exempt under section 700 of the
19 general property tax act, 1893 PA 206, MCL 211.700, a specific tax
20 to be known as the adverse construction specific tax.

21 (2) The amount of the adverse construction specific tax in
22 each year shall be determined by multiplying 50% of the number of
23 mills that would be assessed in the local tax collecting unit if
24 the property were subject to the collection of taxes under the
25 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, by the
26 property's taxable value.

27 (3) The adverse construction specific tax is an annual tax,

1 payable at the same times, in the same installments, and to the
2 same collecting officer or officers as taxes collected under the
3 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

4 (4) The collecting officer or officers shall disburse the
5 adverse construction specific tax to and among this state and
6 cities, townships, villages, school districts, counties, or other
7 taxing units, at the same times and in the same proportions as
8 required by law for the disbursement of taxes collected under the
9 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

10 (5) The collecting officer or officers shall send a copy of
11 the amount of disbursement made to each taxing unit under this
12 section to the commission on a form provided by the commission.

13 (6) Real and personal property of an eligible business that is
14 located in a renaissance zone under the Michigan renaissance zone
15 act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the
16 adverse construction specific tax levied under this act to the
17 extent and for the duration provided pursuant to the Michigan
18 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except
19 for that portion of the adverse construction specific tax
20 attributable to a tax described in section 7ff(2) of the general
21 property tax act, 1893 PA 206, MCL 211.7ff. The adverse
22 construction specific tax calculated under this subsection shall be
23 disbursed proportionately to the taxing unit or units that levied
24 the tax described in section 7ff(2) of the general property tax
25 act, 1893 PA 206, MCL 211.7ff.

26 Sec. 6. Unpaid adverse construction specific taxes are subject
27 to forfeiture, foreclosure, and sale in the same manner and at the

1 same time as taxes returned as delinquent under the general
2 property tax act, 1893 PA 206, MCL 211.1 to 211.155.

3 Enacting section 1. This act does not take effect unless
4 Senate Bill No. ____ or House Bill No. 4210 (request no. 00076'11) of
5 the 96th Legislature is enacted into law.