



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 4553 (Substitute S-1 as reported)  
Sponsor: Representative David Maturen  
House Committee: Tax Policy  
Senate Committee: Finance

**CONTENT**

The bill would amend the General Property Tax Act to revise exemptions for personal property under Section 9f (new personal property owned or leased by an eligible business in an eligible local assessing district), Section 9m (new eligible manufacturing personal property), and Section 9n (previously existing eligible manufacturing personal property).

In Section 9f, the bill would do the following:

- Require an eligible business to file an affidavit with the township or city assessor by February 10 in the first year that personal property was eligible personal property.
- Define "eligible personal property".
- Provide that "new personal property" would not include eligible manufacturing personal property for exemptions subject to local resolutions adopted after December 31, 2014.
- Provide for property that became exempt after December 12, 2012, to remain exempt under Section 9f until it became exempt under another section.

In Section 9m, the bill would do the following:

- Require a person to file an affidavit with the township or city assessor by February 10 of the first year for which the person was claiming a Section 9m exemption (as currently required) or by February 20 as provided in the State Essential Services Assessment Act.
- Require a person claiming an exemption to rescind it when the property was no longer eligible for the exemption.
- Include in the definition of "eligible manufacturing personal property" personal property that is construction in progress and will be part of a new facility not in operation; and otherwise amend the definition.
- Revise the calculation used to determine whether personal property located on occupied real property is predominantly used in industrial processing or direct integrated support.
- Include as "new personal property" property that was construction in progress on or after December 31, 2012, and had not been placed in service before 2013.
- Include in the definition of "occupied real property" parcels owned by a person claiming an exemption under Section 9n.

In Section 9n, the bill would do the following:

- Revise the requirements for filing an affidavit claiming an exemption under Section 9n.
- Require a person claiming an exemption to rescind it when the property was no longer eligible for the exemption.
- Redefine "qualified previously existing personal property".

MCL 211.9f et al.

Legislative Analyst: Suzanne Lowe

## **FISCAL IMPACT**

The bill would have little to no impact on State or local revenue relative to current estimates. While some changes in the bill, such as those regarding the definitions of "new personal property" and "eligible manufacturing personal property", could have minimal impacts relative to current law, the original estimates for the legislation exempting personal property effectively assumed the changes. Therefore, current estimates of the impact of exempting personal property would not change as a result of the bill.

Date Completed: 6-17-15

Fiscal Analyst: David Zin

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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.