

**SUBSTITUTE FOR  
HOUSE BILL NO. 5526**

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending sections 9f, 9m, 9n, 19, and 53b (MCL 211.9f, 211.9m,  
211.9n, 211.19, and 211.53b), sections 9f, 9m, and 9n as amended by  
2015 PA 119, section 19 as amended by 2014 PA 87, and section 53b  
as amended by 2013 PA 153.

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

1           Sec. 9f. (1) The governing body of an eligible local assessing  
2 district or, subject to subsection (4), the board of a Next  
3 Michigan development corporation in which an eligible local  
4 assessing district is a constituent member may adopt a resolution  
5 to exempt from the collection of taxes under this act all new  
6 personal property owned or leased by an eligible business located  
7 in 1 or more eligible districts or distressed parcels designated in

1 the resolution or an eligible Next Michigan business as provided in  
2 this section. The clerk of the eligible local assessing district or  
3 the recording officer of a Next Michigan development corporation  
4 shall notify in writing the assessor of the township or city in  
5 which the eligible district or distressed parcel is located and the  
6 legislative body of each taxing unit that levies ad valorem  
7 property taxes in the eligible local assessing district in which  
8 the eligible district or distressed parcel is located. Before  
9 acting on the resolution, the governing body of the eligible local  
10 assessing district or a Next Michigan development corporation shall  
11 afford the assessor and a representative of the affected taxing  
12 units an opportunity for a hearing.

13 (2) The exemption under this section is effective on the  
14 December 31 immediately succeeding the adoption of the resolution  
15 by the governing body of the eligible local assessing district or a  
16 Next Michigan development corporation and, except as otherwise  
17 provided in subsection (8), shall continue in effect for a period  
18 specified in the resolution. However, an exemption shall not be  
19 granted under this section after December 31, 2012 for an eligible  
20 business located in an eligible district identified in subsection  
21 (10) (f) (ix) or in an eligible local assessing district identified  
22 in subsection (10) (h) (ii). A copy of the resolution shall be filed  
23 with the state tax commission, the state treasurer, and the  
24 president of the Michigan strategic fund. A resolution is not  
25 effective unless approved as provided in subsection (3).

26 (3) Not more than 60 days after receipt of a copy of the  
27 resolution adopted by the governing body of an eligible local

1 assessing district under subsection (1), the state tax commission  
2 shall determine if the new personal property subject to the  
3 exemption is owned or leased by an eligible business and if the  
4 eligible business is located in 1 or more eligible districts. If  
5 the state tax commission determines that the new personal property  
6 subject to the exemption is owned or leased by an eligible business  
7 and that the eligible business is located in 1 or more eligible  
8 districts, the state treasurer, with the written concurrence of the  
9 president of the Michigan strategic fund, shall approve the  
10 resolution adopted under subsection (1) if the state treasurer and  
11 the president of the Michigan strategic fund determine that  
12 exempting new personal property of the eligible business is  
13 necessary to reduce unemployment, promote economic growth, and  
14 increase capital investment in this state. In addition, for an  
15 eligible business located in an eligible local assessing district  
16 described in subsection (10) (h) (ii), the resolution adopted under  
17 subsection (1) shall be approved if the state treasurer and the  
18 president of the Michigan strategic fund determine that granting  
19 the exemption is a net benefit to this state, that expansion,  
20 retention, or location of an eligible business will not occur in  
21 this state without this exemption, and that there is no significant  
22 negative effect on employment in other parts of this state as a  
23 result of the exemption.

24 (4) A Next Michigan development corporation may only adopt a  
25 resolution under subsection (1) exempting new personal property  
26 from the collection of taxes under this act for new personal  
27 property located in a Next Michigan development district. A Next

1 Michigan development corporation shall not adopt a resolution under  
2 subsection (1) exempting new personal property from the collection  
3 of taxes under this act without a written agreement entered into  
4 with the eligible Next Michigan business subject to the exemption,  
5 which written agreement contains a remedy provision that includes,  
6 but is not limited to, all of the following:

7 (a) A requirement that the exemption under this section is  
8 revoked if the eligible Next Michigan business is determined to be  
9 in violation of the provisions of the written agreement.

10 (b) A requirement that the eligible Next Michigan business may  
11 be required to repay all or part of the personal property taxes  
12 exempted under this section if the eligible Next Michigan business  
13 is determined to be in violation of the provisions of the written  
14 agreement.

15 (5) Subject to subsections (6) and (8), if an existing  
16 eligible business sells or leases new personal property exempt  
17 under this section to an acquiring eligible business, the exemption  
18 granted to the existing eligible business shall continue in effect  
19 for the period specified in the resolution adopted under subsection  
20 (1) for the new personal property purchased or leased from the  
21 existing eligible business by the acquiring eligible business and  
22 for any new personal property purchased or leased by the acquiring  
23 eligible business.

24 (6) After December 31, 2007, an exemption for an existing  
25 eligible business shall continue in effect for an acquiring  
26 eligible business under subsection (5) only if the continuation of  
27 the exemption is approved in a resolution adopted by the governing

1 body of an eligible local assessing district or the board of a Next  
2 Michigan development corporation in which the eligible local  
3 assessing district is a constituent member.

4 (7) Notwithstanding 2000 PA 415, all of the following shall  
5 apply to an exemption under this section that was approved by the  
6 state tax commission on or before April 30, 1999, regardless of the  
7 effective date of the exemption:

8 (a) The exemption shall be continued for the term authorized  
9 by the resolution adopted by the governing body of the eligible  
10 local assessing district and approved by the state tax commission  
11 with respect to buildings and improvements constructed on leased  
12 real property during the term of the exemption if the value of the  
13 real property is not assessed to the owner of the buildings and  
14 improvements.

15 (b) The exemption shall not be impaired or restricted with  
16 respect to buildings and improvements constructed on leased real  
17 property during the term of the exemption if the value of the real  
18 property is not assessed to the owner of the buildings and  
19 improvements.

20 (8) Notwithstanding any other provision of this section to the  
21 contrary, if new personal property exempt under this section on or  
22 after December 31, 2012 is eligible manufacturing personal  
23 property, that eligible manufacturing personal property shall  
24 remain exempt under this section until the later of the following:

25 (a) The date that eligible manufacturing personal property  
26 would otherwise be exempt from the collection of taxes under this  
27 act under section 9m, 9n, or 9o.

1 (b) The date that eligible manufacturing personal property is  
2 no longer exempt under the resolution adopted under subsection (1).

3 (9) An eligible business that owns or leases new personal  
4 property that is exempt under this section and that is eligible  
5 personal property shall ~~file an affidavit with~~ **DELIVER THE COMBINED**  
6 **DOCUMENT AS PRESCRIBED IN SECTIONS 9M AND 9N TO** the assessor of the  
7 township or city in which the eligible personal property is located  
8 ~~not later than~~ **BY** February 20 of the ~~first~~ **EACH** year that the new  
9 personal property is eligible personal property. ~~in a manner~~  
10 ~~provided by section 7(8) of the state essential services assessment~~  
11 ~~act, 2014 PA 92, MCL 211.1057.~~ The affidavit **FORM** shall indicate  
12 that the new personal property is eligible personal property. ~~The~~  
13 ~~affidavit shall be in a form prescribed by the state tax~~  
14 ~~commission.~~

15 (10) As used in this section:

16 (a) "Acquiring eligible business" means an eligible business  
17 that purchases or leases assets of an existing eligible business,  
18 including the purchase or lease of new personal property exempt  
19 under this section, and that will conduct business operations  
20 similar to those of the existing eligible business at the location  
21 of the existing eligible business within the eligible district.

22 (b) "Authorized business" means that term as defined in  
23 section 3 of the Michigan economic growth authority act, 1995 PA  
24 24, MCL 207.803.

25 (c) "Eligible manufacturing personal property" means that term  
26 as defined in section 9m.

27 (d) "Distressed parcel" means a parcel of real property

1 located in a city or village that meets all of the following  
2 conditions:

3 (i) Is located in a qualified downtown revitalization  
4 district. As used in this subparagraph, "qualified downtown  
5 revitalization district" means an area located within 1 or more of  
6 the following:

7 (A) The boundaries of a downtown district as defined in  
8 section 1 of 1975 PA 197, MCL 125.1651.

9 (B) The boundaries of a principal shopping district or a  
10 business improvement district as defined in section 1 of 1961 PA  
11 120, MCL 125.981.

12 (C) The boundaries of the local governmental unit in an area  
13 that is zoned and primarily used for business as determined by the  
14 local governmental unit.

15 (ii) Meets 1 of the following conditions:

16 (A) Has a blighted or functionally obsolete building located  
17 on the parcel. As used in this sub-subparagraph, "blighted" and  
18 "functionally obsolete" mean those terms as defined in section 2 of  
19 the brownfield redevelopment financing act, 1996 PA 381, MCL  
20 125.2652.

21 (B) Is a vacant parcel that had been previously occupied.

22 (iii) Is zoned to allow for mixed use.

23 (e) "Eligible business" means, effective August 7, 1998, a  
24 business engaged primarily in manufacturing, mining, research and  
25 development, wholesale trade, office operations, or the operation  
26 of a facility for which the business that owns or operates the  
27 facility is an eligible taxpayer. For purposes of a Next Michigan

1 development corporation, eligible business means only an eligible  
2 Next Michigan business. Eligible business does not include a  
3 casino, retail establishment, professional sports stadium, or that  
4 portion of an eligible business used exclusively for retail sales.  
5 Professional sports stadium does not include a sports stadium in  
6 existence on June 6, 2000 that is not used by a professional sports  
7 team on the date of the resolution adopted pursuant to subsection  
8 (1). As used in this subdivision, "casino" means a casino regulated  
9 by this state under the Michigan gaming control and revenue act,  
10 1996 IL 1, MCL 432.201 to 432.226, and all property associated or  
11 affiliated with the operation of a casino, including, but not  
12 limited to, a parking lot, hotel, motel, or retail store.

13 (f) "Eligible district" means 1 or more of the following:

14 (i) An industrial development district as that term is defined  
15 in 1974 PA 198, MCL 207.551 to 207.572.

16 (ii) A renaissance zone as that term is defined in the  
17 Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to  
18 125.2696.

19 (iii) An enterprise zone as that term is defined in the  
20 enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.

21 (iv) A brownfield redevelopment zone as that term is  
22 designated under the brownfield redevelopment financing act, 1996  
23 PA 381, MCL 125.2651 to 125.2672.

24 (v) An empowerment zone designated under subchapter U of  
25 chapter 1 of the internal revenue code of 1986, 26 USC 1391 to  
26 1397F.

27 (vi) An authority district or a development area as those



1 terms are defined in the tax increment finance authority act, 1980  
2 PA 450, MCL 125.1801 to 125.1830.

3 (vii) An authority district as that term is defined in the  
4 local development financing act, 1986 PA 281, MCL 125.2151 to  
5 125.2174.

6 (viii) A downtown district or a development area as those  
7 terms are defined in 1975 PA 197, MCL 125.1651 to 125.1681.

8 (ix) An area that contains an eligible taxpayer.

9 (x) A Next Michigan development district.

10 (g) "Eligible distressed area" means 1 of the following:

11 (i) That term as defined in section 11 of the state housing  
12 development authority act of 1966, 1966 PA 346, MCL 125.1411.

13 (ii) An area that contains an eligible taxpayer.

14 (h) "Eligible local assessing district" means a city, village,  
15 or township that contains an eligible distressed area or that is a  
16 party to an intergovernmental agreement creating a Next Michigan  
17 development corporation, or a city, village, or township that meets  
18 1 or more of the following conditions and is located in a county  
19 all or a portion of which borders another state or Canada:

20 (i) Is currently served by not fewer than 4 of the following  
21 existing services:

22 (A) Water.

23 (B) Sewer.

24 (C) Police.

25 (D) Fire.

26 (E) Trash.

27 (F) Recycling.

1           (ii) Is party to an agreement under 1984 PA 425, MCL 124.21 to  
2 124.30, with a city, village, or township that provides not fewer  
3 than 4 of the following existing services:

4           (A) Water.

5           (B) Sewer.

6           (C) Police.

7           (D) Fire.

8           (E) Trash.

9           (F) Recycling.

10          (i) "Eligible Next Michigan business" means that term as  
11 defined in section 3 of the Michigan economic growth authority act,  
12 1995 PA 24, MCL 207.803.

13          (j) "Eligible personal property" means that term as defined in  
14 section 3(e)(ii) or (iv) of the state essential services assessment  
15 act, 2014 PA 92, MCL 211.1053.

16          (k) "Eligible taxpayer" means a taxpayer that meets both of  
17 the following conditions:

18           (i) Is an authorized business.

19           (ii) Is eligible for tax credits described in section 9 of the  
20 Michigan economic growth authority act, 1995 PA 24, MCL 207.809.

21          (l) "Existing eligible business" means an eligible business  
22 identified in a resolution adopted under subsection (1) for which  
23 an exemption has been granted under this section.

24          (m) "New personal property" means personal property that was  
25 not previously subject to tax under this act or was not previously  
26 placed in service in this state and that is placed in an eligible  
27 district after a resolution under subsection (1) is approved. As

1 used in this subdivision, for exemptions approved by the state  
2 treasurer under subsection (3) after April 30, 1999, new personal  
3 property does not include buildings described in section 14(6) and  
4 personal property described in section 8(h), (i), and (j). For  
5 exemptions subject to resolutions adopted under subsection (1)  
6 after December 31, 2014, new personal property does not include  
7 eligible manufacturing personal property.

8 (n) "Next Michigan development corporation" and "Next Michigan  
9 development district" mean those terms as defined under the Next  
10 Michigan development act, 2010 PA 275, MCL 125.2951 to 125.2959.

11 Sec. 9m. (1) Beginning December 31, 2015 and each year  
12 thereafter, qualified new personal property for which an exemption  
13 has been properly claimed under subsection (2) is exempt from the  
14 collection of taxes under this act.

15 ~~(2) A person shall claim the exemption under this section by~~  
16 ~~filing an affidavit with the assessor of the township or city in~~  
17 ~~which the qualified new personal property is located as provided in~~  
18 ~~subsection (3). The affidavit shall be in a form prescribed by the~~  
19 ~~state tax commission. An affidavit claiming an exemption under this~~  
20 ~~section applies to all existing and subsequently acquired qualified~~  
21 ~~new personal property. The assessor of the township or city shall~~  
22 ~~annually transmit the affidavits filed, or the information~~  
23 ~~contained in the affidavits filed, under this section, and other~~  
24 ~~parcel information required by the department of treasury, to the~~  
25 ~~department of treasury in the form and in the manner prescribed by~~  
26 ~~the department of treasury no later than April 1. **A PERSON SHALL**~~  
27 **CLAIM THE EXEMPTION UNDER THIS SECTION AND SECTION 9N BY FILING**

1 EACH YEAR A COMBINED DOCUMENT THAT INCLUDES: THE FORM TO CLAIM THE  
2 EXEMPTION UNDER THIS SECTION AND SECTION 9N, A REPORT OF THE FAIR  
3 MARKET VALUE AND YEAR OF ACQUISITION BY THE FIRST OWNER OF  
4 QUALIFIED NEW PERSONAL PROPERTY, AND FOR ANY YEAR BEFORE 2023, A  
5 STATEMENT UNDER SECTION 19. ALL OF THE FOLLOWING APPLY TO A CLAIM  
6 OF THE EXEMPTION UNDER THIS SECTION:

7 (A) THE COMBINED DOCUMENT SHALL BE IN A FORM AND MANNER  
8 PRESCRIBED BY THE DEPARTMENT OF TREASURY.

9 (B) LEASING COMPANIES ARE NOT ELIGIBLE TO RECEIVE THE  
10 EXEMPTION UNDER THIS SECTION AND MAY NOT USE THE COMBINED DOCUMENT  
11 PRESCRIBED IN THIS SECTION. WITH RESPECT TO PERSONAL PROPERTY THAT  
12 IS THE SUBJECT OF A LEASE AGREEMENT, REGARDLESS OF WHETHER THE  
13 AGREEMENT CONSTITUTES A LEASE FOR FINANCIAL OR TAX PURPOSES, ALL OF  
14 THE FOLLOWING APPLY:

15 (i) IF THE PERSONAL PROPERTY IS ELIGIBLE MANUFACTURING  
16 PERSONAL PROPERTY, THE LESSEE AND LESSOR MAY ELECT THAT THE LESSEE  
17 REPORT THE LEASED PERSONAL PROPERTY ON THE COMBINED DOCUMENT.

18 (ii) AN ELECTION MADE BY THE LESSEE AND THE LESSOR UNDER THIS  
19 SUBDIVISION SHALL BE MADE IN A FORM AND MANNER APPROVED BY THE  
20 DEPARTMENT.

21 (iii) ABSENT AN ELECTION, THE PERSONAL PROPERTY SHALL BE  
22 REPORTED BY THE LESSOR ON THE PERSONAL PROPERTY STATEMENT UNLESS  
23 THE EXEMPTION FOR ELIGIBLE MANUFACTURING PERSONAL PROPERTY IS  
24 CLAIMED BY THE LESSEE ON THE COMBINED DOCUMENT.

25 (C) THE COMBINED DOCUMENT PRESCRIBED IN THIS SECTION, SHALL BE  
26 COMPLETED AND DELIVERED TO THE ASSESSOR OF THE TOWNSHIP OR CITY IN  
27 WHICH THE QUALIFIED NEW PERSONAL PROPERTY IS LOCATED BY FEBRUARY 20

1 OF EACH YEAR.

2 (D) THE ASSESSOR SHALL TRANSMIT TO THE DEPARTMENT OF TREASURY  
3 THE INFORMATION CONTAINED IN THE COMBINED DOCUMENT FILED UNDER THIS  
4 SECTION, AND OTHER PARCEL INFORMATION REQUIRED BY THE DEPARTMENT OF  
5 TREASURY, IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT OF  
6 TREASURY BY NO LATER THAN APRIL 1.

7 (E) A person claiming an exemption under this section shall  
8 rescind the claim of exemption by December 31 of the year in which  
9 exempted property is no longer eligible for the exemption by filing  
10 with the assessor of the township or city a rescission affidavit in  
11 a form prescribed by the ~~state tax commission.~~ DEPARTMENT OF  
12 TREASURY.

13 (F) The assessor of the township or city shall annually  
14 transmit the rescission affidavits filed, or the information  
15 contained in the rescission affidavits filed, under this section to  
16 the department of treasury in the form and in the manner prescribed  
17 by the department of treasury no later than April 1.

18 ~~—— (3) If a person claiming an exemption under this section has~~  
19 ~~not filed an affidavit under this section in any prior year with~~  
20 ~~the assessor of the township or city in which the qualified new~~  
21 ~~personal property is located, that person shall file the affidavit~~  
22 ~~described under subsection (2) with that assessor not later than~~  
23 ~~February 20 of the first year for which the person is claiming the~~  
24 ~~exemption for qualified new personal property in the township or~~  
25 ~~city in a manner provided by section 7(8) of the state essential~~  
26 ~~services assessment act, 2014 PA 92, MCL 211.1057.~~

27 ~~—— (4) Except for a person claiming an exemption under this~~

~~1 section for personal property that was subject to section 9f or  
2 1974 PA 198, MCL 207.551 to 207.572, in 2015, if an affidavit  
3 claiming the exemption under this section is filed as provided in  
4 subsection (3) by February 20, 2016, and the person claiming the  
5 exemption under this section complied with section 19(9) in 2015,  
6 or if the filing requirement under section 19(9) was not applicable  
7 because the qualified new personal property was acquired in 2015,  
8 the person claiming the exemption under this section is not  
9 required to file a statement under section 19 for that qualified  
10 new personal property in 2016. Except for a person claiming an  
11 exemption under this section for personal property that was subject  
12 to section 9f or 1974 PA 198, MCL 207.551 to 207.572, in 2015, if  
13 an affidavit claiming the exemption under this section is filed as  
14 provided in subsection (3), beginning in 2017, the person claiming  
15 the exemption under this section is not required to file a  
16 statement under section 19 for qualified new personal property  
17 exempt under this section. For a person claiming an exemption under  
18 this section for personal property that was subject to section 9f  
19 or 1974 PA 198, MCL 207.551 to 207.572, in 2015, if an affidavit  
20 claiming the exemption under this section is filed as provided in  
21 subsection (3) and the person claiming the exemption under this  
22 section complied with section 19(9) in 2015, the person claiming  
23 the exemption under this section is not required to file a  
24 statement under section 19 for that qualified new personal property  
25 in the first year for which that person is claiming an exemption  
26 under this section or in any subsequent year. For a person claiming  
27 an exemption under this section for personal property that was~~

1 ~~subject to section 9f or 1974 PA 198, MCL 207.551 to 207.572, in~~  
 2 ~~2015, if an affidavit claiming the exemption under this section is~~  
 3 ~~filed as provided in subsection (3), but the person claiming the~~  
 4 ~~exemption under this section did not comply with section 19(9) in~~  
 5 ~~2015, the person claiming the exemption under this section shall~~  
 6 ~~file a statement under section 19 for that person's qualified new~~  
 7 ~~personal property in the first year for which that person is~~  
 8 ~~claiming an exemption under this section for qualified new personal~~  
 9 ~~property, but that person is not required to file a statement under~~  
 10 ~~section 19 for that qualified new personal property in any~~  
 11 ~~subsequent year. If the person claiming the exemption under this~~  
 12 ~~section has not filed an affidavit as required under subsection~~  
 13 ~~(2), the personal property for which the person is claiming an~~  
 14 ~~exemption is subject to the collection of taxes under this act and~~  
 15 ~~that person shall file a statement under section 19.~~

16 (3) ~~(5)~~ If the assessor of the township or city believes that  
 17 personal property for which an affidavit ~~THE FORM~~ claiming an  
 18 exemption is filed under subsection ~~(2)~~ **IS TIMELY FILED BY FEBRUARY**  
 19 **20 EACH YEAR** is not qualified new personal property **OR THE FORM**  
 20 **FILED WAS INCOMPLETE**, the assessor may deny that claim for  
 21 exemption by notifying the person that filed the affidavit ~~FORM~~ in  
 22 writing of the reason for the denial and advising the person that  
 23 the denial ~~may~~ **SHALL** be appealed to the board of review under  
 24 section 30 ~~or 53b.~~ **BY FILING A COMBINED DOCUMENT AS PRESCRIBED**  
 25 **UNDER SUBSECTION (2). IF THE DENIAL IS ISSUED AFTER THE FIRST**  
 26 **MEETING OF THE MARCH BOARD OF REVIEW THAT FOLLOWS THE**  
 27 **ORGANIZATIONAL MEETING, THE APPEAL OF THE DENIAL IS EITHER TO THE**

1 MARCH BOARD OF REVIEW OR THE MICHIGAN TAX TRIBUNAL BY FILING A  
2 PETITION AND A COMPLETED COMBINED DOCUMENT AS PRESCRIBED UNDER  
3 SUBSECTION (2), WITHIN 35 DAYS OF THE DENIAL NOTICE. The assessor  
4 may deny a claim for exemption under this subsection for the  
5 current year only. If the assessor denies a claim for exemption,  
6 the assessor shall remove the exemption of that personal property  
7 and amend the tax roll to reflect the denial and the local  
8 treasurer shall within 30 days of the date of the denial issue a  
9 corrected tax bill for any additional taxes.

10 (4) ~~(6)~~—A person claiming an exemption for qualified new  
11 personal property exempt under this section shall maintain books  
12 and records and shall provide access to those books and records as  
13 provided in section 22.

14 (5) ~~(7)~~—If a person fraudulently claims an exemption for  
15 personal property under this section, that person is subject to the  
16 penalties provided for in section 21(2).

17 (6) FOR 2016 ONLY, IF AN OWNER OF QUALIFIED NEW PERSONAL  
18 PROPERTY DID NOT FILE FORM 5278 BY FEBRUARY 22, 2016 OR FILED AN  
19 INCOMPLETE FORM 5278 BY FEBRUARY 22, 2016 TO CLAIM THE EXEMPTION  
20 UNDER THIS SECTION WITH THE ASSESSOR OF THE CITY OR TOWNSHIP IN  
21 WHICH THE QUALIFIED NEW PERSONAL PROPERTY IS LOCATED, THAT OWNER  
22 MAY FILE FORM 5278 WITH THE ASSESSOR OF THE CITY OR TOWNSHIP IN  
23 WHICH THE QUALIFIED NEW PERSONAL PROPERTY IS LOCATED NO LATER THAN  
24 MAY 31, 2016. IF THE ASSESSOR DETERMINES THAT THE PROPERTY  
25 QUALIFIES FOR THE EXEMPTION UNDER THIS SECTION, THE ASSESSOR SHALL  
26 IMMEDIATELY AMEND THE ASSESSMENT ROLL TO REFLECT THE EXEMPTION. THE  
27 ASSESSOR OF THE TOWNSHIP OR CITY SHALL TRANSMIT THE AFFIDAVITS



1 FILED, OR THE INFORMATION CONTAINED IN THE AFFIDAVITS FILED, UNDER  
2 THIS SECTION, AND OTHER PARCEL INFORMATION REQUIRED BY THE  
3 DEPARTMENT OF TREASURY, TO THE DEPARTMENT OF TREASURY IN THE FORM  
4 AND IN THE MANNER PRESCRIBED BY THE DEPARTMENT OF TREASURY NO LATER  
5 THAN JUNE 7, 2016. THE OWNER SHALL STILL BE REQUIRED TO MEET ALL  
6 DEADLINES REQUIRED UNDER SECTION 7 OF THE STATE ESSENTIAL SERVICES  
7 ASSESSMENT ACT, 2014 PA 92, MCL 211.1057. IF THE ASSESSOR OF THE  
8 TOWNSHIP OR CITY BELIEVES THAT PERSONAL PROPERTY FOR WHICH AN  
9 AFFIDAVIT CLAIMING AN EXEMPTION IS FILED UNDER THIS SUBSECTION BY  
10 MAY 31, 2016 IS NOT QUALIFIED NEW PERSONAL PROPERTY, THE ASSESSOR  
11 MAY DENY THAT CLAIM FOR EXEMPTION BY NOTIFYING THE PERSON THAT  
12 FILED THE AFFIDAVIT IN WRITING OF THE REASON FOR THE DENIAL AND  
13 ADVISING THE PERSON THAT THE DENIAL MAY BE APPEALED TO THE MICHIGAN  
14 TAX TRIBUNAL WITHIN 35 DAYS OF THE DATE OF THE DENIAL.

15 (7) ~~(8)~~—As used in this section:

16 (a) "Affiliated person" means a sole proprietorship,  
17 partnership, limited liability company, corporation, association,  
18 flow-through entity, member of a unitary business group, or other  
19 entity related to a person claiming an exemption under this  
20 section.

21 (b) "Direct integrated support" means any of the following:

22 (i) Research and development related to goods produced in  
23 industrial processing and conducted in furtherance of that  
24 industrial processing.

25 (ii) Testing and quality control functions related to goods  
26 produced in industrial processing and conducted in furtherance of  
27 that industrial processing.

1           (iii) Engineering related to goods produced in industrial  
2 processing and conducted in furtherance of that industrial  
3 processing.

4           (iv) Receiving or storing equipment, materials, supplies,  
5 parts, or components for industrial processing, or scrap materials  
6 or waste resulting from industrial processing, at the industrial  
7 processing site or at another site owned or leased by the owner or  
8 lessee of the industrial processing site.

9           (v) Storing of finished goods inventory if the inventory was  
10 produced by a business engaged primarily in industrial processing  
11 and if the inventory is stored either at the site where it was  
12 produced or at another site owned or leased by the business that  
13 produced the inventory.

14           (vi) Sorting, distributing, or sequencing functions that  
15 optimize transportation and just-in-time inventory management and  
16 material handling for inputs to industrial processing.

17           (c) "Eligible manufacturing personal property" means all  
18 personal property located on occupied real property if that  
19 personal property is predominantly used in industrial processing or  
20 direct integrated support. ~~—except that for~~ **FOR** personal property  
21 that is construction in progress and part of a new facility not in  
22 operation, eligible manufacturing personal property means all  
23 personal property that is part of that new facility if that  
24 personal property will be predominantly used in industrial  
25 processing when the facility becomes operational. Personal property  
26 that is not owned, leased, or used by the person who owns or leases  
27 occupied real property where the personal property is located is

1 not eligible manufacturing personal property, unless the personal  
2 property is located on the occupied real property to carry on a  
3 current on-site business activity. Personal property that is placed  
4 on occupied real property solely to qualify the personal property  
5 for an exemption under this section or section 9n is not eligible  
6 manufacturing personal property. **UTILITY PERSONAL PROPERTY AS**  
7 **DESCRIBED IN SECTION 34C(3) (E) AND PERSONAL PROPERTY USED IN THE**  
8 **GENERATION, TRANSMISSION, OR DISTRIBUTION OF ELECTRICITY FOR SALE**  
9 **ARE NOT ELIGIBLE MANUFACTURING PERSONAL PROPERTY.** Personal property  
10 located on occupied real property is predominantly used in  
11 industrial processing or direct integrated support if the result of  
12 the following calculation is more than 50%:

13 (i) Multiply the original cost of all personal property that  
14 is subject to the collection of taxes under this act and all  
15 personal property that is exempt from the collection of taxes under  
16 sections 7k, 9b, 9f, 9n, and 9o and this section that is located on  
17 that occupied real property and that is not construction in  
18 progress by its percentage of use in industrial processing or in  
19 direct integrated support. ~~Personal property is used in industrial~~  
20 ~~processing if it is not used to generate, transmit, or distribute~~  
21 ~~electricity for sale, if it is not utility personal property as~~  
22 ~~described in section 34c(3) (e), and if its purchase or use by the~~  
23 ~~person claiming the exemption would be eligible for exemption under~~  
24 ~~section 4t of the general sales tax act, 1933 PA 167, MCL 205.54t,~~  
25 ~~or section 4o of the use tax act, 1937 PA 94, MCL 205.94o.~~ For an  
26 item of personal property that is used in industrial processing,  
27 its percentage of use in industrial processing shall equal the

1 percentage of the exemption the property would be eligible for  
2 under section 4t of the general sales tax act, 1933 PA 167, MCL  
3 205.54t, or section 4o of the use tax act, 1937 PA 94, MCL 205.94o.  
4 Utility personal property as described in section 34c(3)(e) ~~is not~~  
5 ~~used in direct integrated support.~~ **AND PERSONAL PROPERTY USED IN THE**  
6 **GENERATION, TRANSMISSION, OR DISTRIBUTION OF ELECTRICITY FOR SALE**  
7 **IS NOT INCLUDED IN THIS CALCULATION.**

8 (ii) Divide the result of the calculation under subparagraph  
9 (i) by the total original cost of all personal property that is  
10 subject to the collection of taxes under this act and all personal  
11 property that is exempt from the collection of taxes under sections  
12 7k, 9b, 9f, 9n, and 9o and this section that is located on that  
13 occupied real property and that is not construction in progress.  
14 **UTILITY PERSONAL PROPERTY AS DESCRIBED IN SECTION 34C(3)(E) AND**  
15 **PERSONAL PROPERTY USED IN THE GENERATION, TRANSMISSION, OR**  
16 **DISTRIBUTION OF ELECTRICITY FOR SALE IS NOT INCLUDED IN THIS**  
17 **CALCULATION.**

18 (D) "FAIR MARKET VALUE" MEANS THE FAIR MARKET VALUE OF  
19 PERSONAL PROPERTY AT THE TIME OF ACQUISITION BY THE FIRST OWNER,  
20 INCLUDING THE COST OF FREIGHT, SALES TAX, INSTALLATION, AND OTHER  
21 CAPITALIZED COSTS, EXCEPT CAPITALIZED INTEREST. THERE IS A  
22 REBUTTABLE PRESUMPTION THAT THE ACQUISITION PRICE PAID BY THE FIRST  
23 OWNER FOR PERSONAL PROPERTY, AND ANY COSTS OF FREIGHT, SALES TAX,  
24 INSTALLATION, AND OTHER CAPITALIZED COSTS, EXCEPT CAPITALIZED  
25 INTEREST, REFLECT THE FAIR MARKET VALUE.

26 (E) ~~(d)~~—"Industrial processing" means that term as defined in  
27 section 4t of the general sales tax act, 1933 PA 167, MCL 205.54t,

1 or section 4o of the use tax act, 1937 PA 94, MCL 205.94o.  
2 Industrial processing does not include the generation,  
3 transmission, or distribution of electricity for sale.

4 (F) ~~(e)~~—"New personal property" means property that was  
5 initially placed in service in this state or outside of this state  
6 after December 31, 2012 or that was construction in progress on or  
7 after December 31, 2012 that had not been placed in service in this  
8 state or outside of this state before 2013.

9 (G) ~~(f)~~—"Occupied real property" means all—**ANY** of the  
10 following:

11 (i) A parcel of real property that is entirely owned, leased,  
12 or otherwise occupied by a person claiming an exemption under this  
13 section or under section 9n.

14 (ii) Contiguous parcels of real property that are entirely  
15 owned, leased, or otherwise occupied by a person claiming an  
16 exemption under this section or under section 9n and that host a  
17 single, integrated business operation engaged primarily in  
18 industrial processing, direct integrated support, or both. A  
19 business operation is not engaged primarily in industrial  
20 processing, direct integrated support, or both if it engages in  
21 significant business activities that are not directly related to  
22 industrial processing or direct integrated support. **CONTIGUITY IS**  
23 **NOT BROKEN BY A BOUNDARY BETWEEN LOCAL TAX COLLECTING UNITS, A**  
24 **ROAD, A RIGHT-OF-WAY, OR PROPERTY PURCHASED OR TAKEN UNDER**  
25 **CONDEMNATION PROCEEDINGS BY A PUBLIC UTILITY FOR POWER TRANSMISSION**  
26 **LINES IF THE 2 PARCELS SEPARATED BY THE PURCHASED OR CONDEMNED**  
27 **PROPERTY WERE A SINGLE PARCEL PRIOR TO THE SALE OR CONDEMNATION. AS**

1 USED IN THIS SUBPARAGRAPH, "SINGLE, INTEGRATED BUSINESS OPERATION"  
2 MEANS A COMPANY THAT COMBINES 1 OR MORE RELATED OPERATIONS OR  
3 DIVISIONS AND OPERATES AS A SINGLE BUSINESS UNIT.

4 (iii) The portion of a parcel of real property that is owned,  
5 leased, or otherwise occupied by a person claiming the exemption  
6 under this section or under section 9n or by an affiliated person.

7 (H) ~~(g)~~—"Original cost" means the fair market value of  
8 personal property at the time of acquisition by the first owner.  
9 There is a rebuttable presumption that the acquisition price paid  
10 by the first owner for personal property reflects the original cost  
11 of that personal property. The ~~state tax commission~~ **DEPARTMENT OF**  
12 **TREASURY** may provide guidelines for 1 or more of the following  
13 circumstances:

14 (i) Determining original cost of personal property when the  
15 actual acquisition price paid by the first owner for personal  
16 property is not determinative of the original cost of that personal  
17 property.

18 (ii) Estimating original cost of personal property when the  
19 actual acquisition price paid by the first owner for the personal  
20 property is unknown.

21 (iii) Adjusting original cost of personal property when the  
22 personal property is idle, is obsolete or has material  
23 obsolescence, or is surplus.

24 (I) ~~(h)~~—"Person" means an individual, partnership,  
25 corporation, association, limited liability company, or any other  
26 legal entity.

27 (J) ~~(i)~~—"Qualified new personal property" means property that

1 meets all of the following conditions:

2 (i) Is eligible manufacturing personal property.

3 (ii) Is new personal property.

4 Sec. 9n. (1) Beginning December 31, 2015 and each year  
5 thereafter, qualified previously existing personal property for  
6 which an exemption has been properly claimed under subsection (2)  
7 is exempt from the collection of taxes under this act.

8 (2) ~~A person shall claim the exemption under this section by  
9 filing an affidavit with the assessor of the township or city in  
10 which the qualified previously existing personal property is  
11 located as provided in subsection (3). The affidavit shall be in a  
12 form prescribed by the state tax commission. An affidavit claiming  
13 an exemption under this section applies to all existing and  
14 subsequently acquired qualified previously existing personal  
15 property. The assessor of the township or city shall annually  
16 transmit the affidavits filed, or the information contained in the  
17 affidavits filed, under this section, and other parcel information  
18 required by the department of treasury, to the department of  
19 treasury in the form and in the manner prescribed by the department  
20 of treasury no later than April 1. A PERSON SHALL CLAIM THE  
21 EXEMPTION UNDER THIS SECTION AND SECTION 9M BY FILING EACH YEAR A  
22 COMBINED DOCUMENT THAT INCLUDES: THE FORM TO CLAIM THE EXEMPTION  
23 UNDER THIS SECTION AND SECTION 9M, A REPORT OF THE FAIR MARKET  
24 VALUE AND YEAR OF ACQUISITION BY THE FIRST OWNER OF QUALIFIED  
25 PREVIOUSLY EXISTING PERSONAL PROPERTY, AND FOR ANY YEAR BEFORE  
26 2023, A STATEMENT UNDER SECTION 19. ALL OF THE FOLLOWING APPLY TO A  
27 CLAIM OF THE EXEMPTION UNDER THIS SECTION:~~

1 (A) THE COMBINED DOCUMENT SHALL BE IN A FORM AND MANNER  
2 PRESCRIBED BY THE DEPARTMENT OF TREASURY.

3 (B) LEASING COMPANIES ARE NOT ELIGIBLE TO RECEIVE THE  
4 EXEMPTION UNDER THIS SECTION AND MAY NOT USE THE COMBINED DOCUMENT  
5 PRESCRIBED IN THIS SECTION. WITH RESPECT TO PERSONAL PROPERTY THAT  
6 IS THE SUBJECT OF A LEASE AGREEMENT, REGARDLESS OF WHETHER THE  
7 AGREEMENT CONSTITUTES A LEASE FOR FINANCIAL OR TAX PURPOSES, ALL OF  
8 THE FOLLOWING APPLY:

9 (i) IF THE PERSONAL PROPERTY IS ELIGIBLE MANUFACTURING  
10 PERSONAL PROPERTY, THE LESSEE AND LESSOR MAY ELECT THAT THE LESSEE  
11 REPORT THE LEASED PERSONAL PROPERTY ON THE COMBINED DOCUMENT.

12 (ii) AN ELECTION MADE BY THE LESSEE AND THE LESSOR UNDER THIS  
13 SUBDIVISION SHALL BE MADE IN A FORM AND MANNER APPROVED BY THE  
14 DEPARTMENT.

15 (iii) ABSENT AN ELECTION, THE PERSONAL PROPERTY SHALL BE  
16 REPORTED BY THE LESSOR ON THE PERSONAL PROPERTY STATEMENT UNLESS  
17 THE EXEMPTION FOR ELIGIBLE MANUFACTURING PERSONAL PROPERTY IS  
18 CLAIMED BY THE LESSEE ON THE COMBINED DOCUMENT.

19 (C) THE COMBINED DOCUMENT PRESCRIBED IN THIS SECTION, SHALL BE  
20 COMPLETED AND DELIVERED TO THE ASSESSOR OF THE TOWNSHIP OR CITY IN  
21 WHICH THE QUALIFIED PREVIOUSLY EXISTING PERSONAL PROPERTY IS  
22 LOCATED BY FEBRUARY 20 OF EACH YEAR.

23 (D) THE ASSESSOR SHALL TRANSMIT TO THE DEPARTMENT OF TREASURY  
24 THE INFORMATION CONTAINED IN THE COMBINED DOCUMENT FILED UNDER THIS  
25 SECTION, AND OTHER PARCEL INFORMATION REQUIRED BY THE DEPARTMENT OF  
26 TREASURY AND IN THE MANNER PRESCRIBED BY THE DEPARTMENT OF TREASURY  
27 NO LATER THAN APRIL 1.



1           (E) A person claiming an exemption under this section shall  
2 rescind the claim of exemption by December 31 of the year in which  
3 exempted property is no longer eligible for the exemption by filing  
4 with the assessor of the township or city a rescission affidavit in  
5 a form prescribed by the ~~state tax commission.~~ **DEPARTMENT OF**  
6 **TREASURY.**

7           (F) The assessor of the township or city shall annually  
8 transmit the rescission affidavits filed, or the information  
9 contained in the rescission affidavits filed, under this section to  
10 the department of treasury in the form and in the manner prescribed  
11 by the department of treasury no later than April 1.

12 ~~—— (3) If a person claiming an exemption under this section has~~  
13 ~~not filed an affidavit under this section in any prior year with~~  
14 ~~the assessor of the township or city in which the qualified~~  
15 ~~previously existing personal property is located claiming an~~  
16 ~~exemption for that qualified previously existing personal property,~~  
17 ~~that person shall file the affidavit described under subsection (2)~~  
18 ~~with that assessor not later than February 20 of the first year for~~  
19 ~~which the person is claiming the exemption for that qualified~~  
20 ~~previously existing personal property in the township or city in a~~  
21 ~~manner provided by section 7(8) of the state essential services~~  
22 ~~assessment act, 2014 PA 92, MCL 211.1057. If an affidavit claiming~~  
23 ~~the exemption for qualified previously existing personal property~~  
24 ~~under this section is filed as provided in this subsection and the~~  
25 ~~person claiming an exemption for that qualified previously existing~~  
26 ~~personal property complied with section 19(9) with respect to that~~  
27 ~~qualified previously existing personal property in 2015, or if the~~

1 ~~filing requirement under section 19(9) was not applicable because~~  
2 ~~the qualified previously existing personal property was acquired in~~  
3 ~~2015 or later, the person claiming the exemption under this section~~  
4 ~~is not required to also file a statement under section 19 for that~~  
5 ~~qualified previously existing personal property in the first year~~  
6 ~~for which the exemption is claimed or in any subsequent year. If an~~  
7 ~~affidavit claiming the exemption for qualified previously existing~~  
8 ~~personal property under this section is filed as provided in this~~  
9 ~~subsection but the person claiming the exemption under this section~~  
10 ~~did not comply with section 19(9) with respect to that qualified~~  
11 ~~previously existing personal property in 2015, the person claiming~~  
12 ~~the exemption under this section shall file a statement under~~  
13 ~~section 19 for that qualified previously existing personal property~~  
14 ~~in the first year for which the person is claiming an exemption for~~  
15 ~~that qualified previously existing personal property, but the~~  
16 ~~person is not required to file a statement under section 19 for~~  
17 ~~that qualified previously existing personal property in any~~  
18 ~~subsequent year. If a person claiming an exemption for qualified~~  
19 ~~previously existing personal property has not filed an affidavit as~~  
20 ~~required under this section, that person's qualified previously~~  
21 ~~existing personal property is subject to the collection of taxes~~  
22 ~~under this act and that person shall file a statement under section~~  
23 ~~19.~~

24 (3) ~~(4)~~—If the assessor of the township or city believes that  
25 personal property for which an affidavit ~~THE FORM~~ claiming an  
26 exemption is filed under subsection ~~(2)~~ **IS TIMELY FILED BY FEBRUARY**  
27 **20 EACH YEAR** is not qualified previously existing personal property

1 OR THE FORM FILED WAS INCOMPLETE, the assessor may deny that claim  
2 for exemption by notifying the person that filed the ~~affidavit~~-FORM  
3 in writing of the reason for the denial and advising the person  
4 that the denial, ~~may~~-SHALL be appealed to the board of review under  
5 section 30-~~or 53b~~. BY FILING A COMBINED DOCUMENT AS PRESCRIBED  
6 UNDER SUBSECTION (2). IF THE DENIAL IS ISSUED AFTER THE FIRST  
7 MEETING OF THE MARCH BOARD OF REVIEW THAT FOLLOWS THE  
8 ORGANIZATIONAL MEETING, THE APPEAL OF THE DENIAL IS EITHER TO THE  
9 MARCH BOARD OF REVIEW OR THE MICHIGAN TAX TRIBUNAL BY FILING A  
10 PETITION AND A COMPLETED COMBINED DOCUMENT AS PRESCRIBED UNDER  
11 SUBSECTION (2), WITHIN 35 DAYS OF THE DENIAL NOTICE. The assessor  
12 may deny a claim for exemption under this subsection for the  
13 current year only. If the assessor denies a claim for exemption,  
14 the assessor shall remove the exemption of that personal property  
15 and amend the tax roll to reflect the denial and the local  
16 treasurer shall within 30 days of the date of the denial issue a  
17 corrected tax bill for any additional taxes.

18 (4) ~~(5)~~-A person claiming an exemption for qualified  
19 previously existing personal property exempt under this section  
20 shall maintain books and records and shall provide access to those  
21 books and records as provided in section 22.

22 (5) ~~(6)~~-If a person fraudulently claims an exemption for  
23 personal property under this section, that person is subject to the  
24 penalties provided for in section 21(2).

25 (6) FOR 2016 ONLY, IF AN OWNER OF QUALIFIED PREVIOUSLY  
26 EXISTING PERSONAL PROPERTY DID NOT FILE FORM 5278 BY FEBRUARY 22,  
27 2016 OR FILED AN INCOMPLETE FORM 5278 BY FEBRUARY 22, 2016 TO CLAIM

1 THE EXEMPTION UNDER THIS SECTION WITH THE ASSESSOR OF THE CITY OR  
2 TOWNSHIP IN WHICH THE QUALIFIED PREVIOUSLY EXISTING PERSONAL  
3 PROPERTY IS LOCATED, THAT OWNER MAY FILE FORM 5278 WITH THE  
4 ASSESSOR OF THE CITY OR TOWNSHIP IN WHICH THE QUALIFIED PREVIOUSLY  
5 EXISTING PERSONAL PROPERTY IS LOCATED NO LATER THAN MAY 31, 2016.  
6 IF THE ASSESSOR DETERMINES THE PROPERTY QUALIFIES FOR THE EXEMPTION  
7 UNDER THIS SECTION, THE ASSESSOR SHALL IMMEDIATELY AMEND THE  
8 ASSESSMENT ROLL TO REFLECT THE EXEMPTION. THE ASSESSOR OF THE  
9 TOWNSHIP OR CITY SHALL TRANSMIT THE AFFIDAVITS FILED, OR THE  
10 INFORMATION CONTAINED IN THE AFFIDAVITS FILED, UNDER THIS SECTION,  
11 AND OTHER PARCEL INFORMATION REQUIRED BY THE DEPARTMENT OF  
12 TREASURY, TO THE DEPARTMENT OF TREASURY IN THE FORM AND IN THE  
13 MANNER PRESCRIBED BY THE DEPARTMENT OF TREASURY NO LATER THAN JUNE  
14 7, 2016. THE OWNER SHALL STILL BE REQUIRED TO MEET ALL DEADLINES  
15 REQUIRED UNDER SECTION 7 OF THE STATE ESSENTIAL SERVICES ASSESSMENT  
16 ACT, 2014 PA 92, MCL 211.1057. IF THE ASSESSOR OF THE TOWNSHIP OR  
17 CITY BELIEVES THAT PERSONAL PROPERTY FOR WHICH AN AFFIDAVIT  
18 CLAIMING AN EXEMPTION IS FILED UNDER THIS SUBSECTION BY MAY 31,  
19 2016 IS NOT QUALIFIED PREVIOUSLY EXISTING PERSONAL PROPERTY, THE  
20 ASSESSOR MAY DENY THAT CLAIM FOR EXEMPTION BY NOTIFYING THE PERSON  
21 THAT FILED THE AFFIDAVIT IN WRITING OF THE REASON FOR THE DENIAL  
22 AND ADVISING THE PERSON THAT THE DENIAL MAY BE APPEALED TO THE  
23 MICHIGAN TAX TRIBUNAL WITHIN 35 DAYS OF THE DATE OF THE DENIAL.

24 (7) As used in this section:

25 (a) "Direct integrated support", "eligible manufacturing  
26 personal property", "**FAIR MARKET VALUE**", and "industrial  
27 processing" mean those terms as defined in section 9m.

1 (b) "Person" means an individual, partnership, corporation,  
2 association, limited liability company, or any other legal entity.

3 (c) "Qualified previously existing personal property" means  
4 personal property that meets both of the following conditions:

5 (i) Is eligible manufacturing personal property.

6 (ii) Was first placed in service within this state or outside  
7 this state more than 10 years before the current calendar year.

8 Sec. 19. (1) A supervisor or other assessing officer, as soon  
9 as possible after entering upon the duties of his or her office or  
10 as required under the provisions of any charter that makes special  
11 provisions for the assessment of property, shall ascertain the  
12 taxable property in his or her assessing district, the person to  
13 whom it should be assessed, and that person's residence.

14 (2) Except as otherwise provided in section 9m, 9n, or 9o, the  
15 supervisor or other assessing officer shall require any person whom  
16 he or she believes has personal property in their possession to  
17 make a statement of all the personal property of that person  
18 whether owned by that person or held for the use of another to be  
19 completed and delivered to the supervisor or assessor ~~on or before~~  
20 **BY** February 20 of each year. A notice the supervisor or other  
21 assessing officer provides regarding that statement shall also do  
22 all of the following:

23 (a) Notify the person to whom such notice is given of the  
24 exemptions available under sections 9m, 9n, and 9o.

25 (b) Explain where information about those exemptions, the  
26 forms and requirements for claiming those exemptions, and the forms  
27 for the statement otherwise required under this section are

1 available.

2 (c) Be sent or delivered by not later than January 10 of each  
3 year.

4 (3) If a supervisor, an assessing officer, a county tax or  
5 equalization department provided for in section 34, or the state  
6 tax commission considers it necessary to require from any person a  
7 statement of real property assessable to that person, it shall  
8 notify the person, and that person shall submit the statement.

9 (4) A local tax collecting unit may provide for the electronic  
10 filing of the statement required under subsection (2) or (3).

11 (5) A statement under subsection (2) or (3) shall be in a form  
12 prescribed by the state tax commission. If a local tax collecting  
13 unit has provided for electronic filing of the statement under  
14 subsection (4), the filing format shall be prescribed by the state  
15 tax commission. The state tax commission shall not prescribe more  
16 than 1 format for electronically filing a statement under  
17 subsection (2) or more than 1 format for electronically filing a  
18 statement under subsection (3).

19 (6) A statement under subsection (2) or (3) shall be signed  
20 manually, by facsimile, or electronically. A supervisor or assessor  
21 shall not require that a statement required under subsection (2) or  
22 (3) be filed ~~before~~ **BY** February 20 of each year.

23 (7) A supervisor or assessor shall not accept a statement  
24 under subsection (2) or (3) as final or sufficient if that  
25 statement is not in the proper form or does not contain a manual,  
26 facsimile, or electronic signature. A supervisor or assessor shall  
27 preserve a statement that is not in the proper form or is not

1 signed as in other cases, and that statement may be used to make  
2 the assessment and as evidence in any proceeding regarding the  
3 assessment of the person furnishing that statement.

4 (8) An electronic or facsimile signature, **FOR A STATEMENT**  
5 **REQUIRED UNDER THIS SECTION OR A COMBINED DOCUMENT REQUIRED UNDER**  
6 **SECTION 9M OR 9N, OR UNDER SECTION 7 OF THE STATE ESSENTIAL**  
7 **SERVICES ASSESSMENT ACT, 2014 PA 92, MCL 211.1057,** shall be  
8 accepted by a local tax collecting unit using a procedure  
9 prescribed by the state tax commission.

10 (9) ~~A statement under subsection (2) for 2015 shall include a~~  
11 ~~schedule of when any personal property included in the statement~~  
12 ~~will become eligible for exemption under section 9m or 9n. For 2015~~  
13 ~~statements under subsection (2) that identify property eligible for~~  
14 ~~exemption under section 9m or 9n, a supervisor or assessor shall~~  
15 ~~provide to the department of treasury by June 1, 2015 a copy of the~~  
16 ~~statement, or the information on the statement, as prescribed by~~  
17 ~~the department of treasury. The department of treasury's use of a~~  
18 statement, or information on a statement, provided under this  
19 subsection is subject to section 28(1)(f) of 1941 PA 122, MCL  
20 205.28.

21 Sec. 53b. (1) If there has been a qualified error, the  
22 qualified error shall be verified by the local assessing officer  
23 and approved by the board of review. Except as otherwise provided  
24 in subsection (9), the board of review shall meet for the purposes  
25 of this section on Tuesday following the second Monday in December  
26 and on Tuesday following the third Monday in July. If approved, the  
27 board of review shall file an affidavit within 30 days relative to

1 the qualified error with the proper officials and all affected  
2 official records shall be corrected. If the qualified error results  
3 in an overpayment or underpayment, the rebate, including any  
4 interest paid, shall be made to the taxpayer or the taxpayer shall  
5 be notified and payment made within 30 days of the notice. A rebate  
6 shall be without interest. The treasurer in possession of the  
7 appropriate tax roll may deduct the rebate from the appropriate tax  
8 collecting unit's subsequent distribution of taxes. The treasurer  
9 in possession of the appropriate tax roll shall bill to the  
10 appropriate tax collecting unit the tax collecting unit's share of  
11 taxes rebated. Except as otherwise provided in subsections (6) and  
12 (8) and section 27a(4), a correction under this subsection may be  
13 made for the current year and the immediately preceding year only.

14 (2) Action pursuant to subsection (1) may be initiated by the  
15 taxpayer or the assessing officer.

16 (3) The board of review meeting in July and December shall  
17 meet only for the purpose described in subsection (1) and to hear  
18 appeals provided for in sections 7u, 7cc, 7ee, 7jj, ~~9m, 9n,~~ and 9o.  
19 If an exemption under section 7u is approved, the board of review  
20 shall file an affidavit with the proper officials involved in the  
21 assessment and collection of taxes and all affected official  
22 records shall be corrected. If an appeal under section 7cc, 7ee,  
23 7jj, ~~9m, 9n,~~ or 9o results in a determination that an overpayment  
24 has been made, the board of review shall file an affidavit and a  
25 rebate shall be made at the times and in the manner provided in  
26 subsection (1). Except as otherwise provided in sections 7cc, 7ee,  
27 7jj, and 9o, a correction under this subsection shall be made for



1 the year in which the appeal is made only. If the board of review  
2 approves an exemption or provides a rebate for property under  
3 section 7cc, 7ee, or 7jj as provided in this subsection, the board  
4 of review shall require the owner to execute the affidavit provided  
5 for in section 7cc, 7ee, or 7jj and shall forward a copy of any  
6 section 7cc affidavits to the department of treasury.

7 (4) If an exemption under section 7cc is approved by the board  
8 of review under this section, the provisions of section 7cc apply.  
9 If an exemption under section 7cc is not approved by the board of  
10 review under this section, the owner may appeal that decision in  
11 writing to the department of treasury within 35 days of the board  
12 of review's denial and the appeal shall be conducted as provided in  
13 section 7cc(8).

14 (5) An owner or assessor may appeal a decision of the board of  
15 review under this section regarding an exemption under section 7ee  
16 or 7jj to the residential and small claims division of the Michigan  
17 tax tribunal. An owner is not required to pay the amount of tax in  
18 dispute in order to receive a final determination of the  
19 residential and small claims division of the Michigan tax tribunal.  
20 However, interest and penalties, if any, shall accrue and be  
21 computed based on interest and penalties that would have accrued  
22 from the date the taxes were originally levied as if there had not  
23 been an exemption.

24 (6) A correction under this section that approves a principal  
25 residence exemption pursuant to section 7cc may be made for the  
26 year in which the appeal was filed and the 3 immediately preceding  
27 tax years.

1 (7) For the appeal of a denial of a claim of exemption for  
2 personal property under section ~~9m, 9n, or 9o~~, if an exemption is  
3 approved, the board of review shall remove the personal property  
4 from the assessment roll.

5 (8) If an exemption for personal property under section ~~9m,~~  
6 ~~9n, or 9o~~ is approved, the board of review shall file an affidavit  
7 with the proper officials involved in the assessment and collection  
8 of taxes and all affected official records shall be corrected. If  
9 the board of review does not approve an exemption under section ~~9m,~~  
10 ~~9n, or 9o~~, the person claiming the exemption for that personal  
11 property may appeal that decision in writing to the Michigan tax  
12 tribunal. A correction under this subsection that approves an  
13 exemption under section 9o may be made for the year in which the  
14 appeal was filed and the immediately preceding 3 tax years. A  
15 ~~correction under this subsection that approves an exemption under~~  
16 ~~section 9m or 9n may be made only for the year in which the appeal~~  
17 ~~was filed.~~

18 (9) The governing body of the city or township may authorize,  
19 by adoption of an ordinance or resolution, 1 or more of the  
20 following alternative meeting dates for the purposes of this  
21 section:

22 (a) An alternative meeting date during the week of the second  
23 Monday in December.

24 (b) An alternative meeting date during the week of the third  
25 Monday in July.

26 (10) As used in this section, "qualified error" means 1 or  
27 more of the following:

1 (a) A clerical error relative to the correct assessment  
2 figures, the rate of taxation, or the mathematical computation  
3 relating to the assessing of taxes.

4 (b) A mutual mistake of fact.

5 (c) An adjustment under section 27a(4) or an exemption under  
6 section 7hh(3)(b).

7 (d) An error of measurement or calculation of the physical  
8 dimensions or components of the real property being assessed.

9 (e) An error of omission or inclusion of a part of the real  
10 property being assessed.

11 (f) An error regarding the correct taxable status of the real  
12 property being assessed.

13 (g) An error made by the taxpayer in preparing the statement  
14 of assessable personal property under section 19.

15 (h) An error made in the denial of a claim of exemption for  
16 personal property under section ~~9m, 9n, or 9o~~.