

HOUSE BILL No. 5439

March 9, 2016, Introduced by Rep. Webber and referred to the Committee on Tax Policy.

A bill to amend 1996 PA 376, entitled "Michigan renaissance zone act," by amending section 6 (MCL 125.2686), as amended by 2010 PA 277.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) The board shall review all recommendations
2 submitted by the review board and determine which applications meet
3 the criteria contained in section 7.

4 (2) The board shall do all of the following:

5 (a) Designate renaissance zones.

6 (b) Subject to subsection (3), approve or reject the duration
7 of renaissance zone status.

8 (c) Subject to subsection (3), approve or reject the
9 geographic boundaries and the total area of the renaissance zone as
10 submitted in the application.

11 (3) The board shall not alter the geographic boundaries of the

1 renaissance zone or the duration of renaissance zone status
2 described in the application unless the qualified local
3 governmental unit or units and the local governmental unit or units
4 in which the renaissance zone is to be located consent by
5 resolution to the alteration.

6 (4) The board shall not designate a renaissance zone under
7 section 8 before November 1, 1996 or after December 31, 1996.

8 (5) Except as otherwise provided in this subsection, the
9 designation of a renaissance zone under this act shall take effect
10 on January 1 in the year following designation. However, for
11 purposes of the taxes exempted under section 9(2), the designation
12 of a renaissance zone under this act shall take effect on December
13 31 in the year of designation. For designations made pursuant to
14 section 8a(2), the board of the Michigan strategic fund may choose
15 a beginning date, provided that the date must be January 1 of a
16 year and must not be more than 5 years after the date of
17 designation. The board of the Michigan strategic fund may provide
18 that the January 1 beginning date be determined under a written
19 agreement between the board of the Michigan strategic fund and the
20 qualified local governmental unit in which the renaissance zone is
21 to be located. However, for purposes of the taxes exempted under
22 section 9(2), the designation of a renaissance zone under section
23 8a(2) shall take effect on December 31 in the year immediately
24 preceding the year in which the designation under section 8a(2)
25 takes effect.

26 (6) The board shall not designate a renaissance zone under
27 section 8a after December 31, 2002.

1 (7) Through December 31, 2002, a qualified local governmental
2 unit in which a renaissance zone was designated under section 8 or
3 8a may modify the boundaries of that renaissance zone to include
4 contiguous parcels of property as determined by the qualified local
5 governmental unit and approval by the review board. The additional
6 contiguous parcels of property included in a renaissance zone under
7 this subsection do not constitute an additional distinct geographic
8 area under section 4(1)(d). If the boundaries of the renaissance
9 zone are modified as provided in this subsection, the additional
10 contiguous parcels of property shall become part of the original
11 renaissance zone on the same terms and conditions as the original
12 designation of that renaissance zone.

13 (8) Notwithstanding any other provisions of this act, before
14 July 1, 2004, a qualified local governmental unit in which a
15 renaissance zone was designated under section 8a(1) as a
16 renaissance zone located in a rural area may modify the boundaries
17 of that renaissance zone to include a contiguous parcel of property
18 as determined by the qualified local governmental unit. The
19 contiguous parcel of property shall only include property that is
20 less than .5 acres in size and that the qualified local
21 governmental unit previously sought to have included in the zone by
22 submitting an application in February 2002 that was not acted upon
23 by the review board. The additional contiguous parcel of property
24 included in a renaissance zone under this subsection does not
25 constitute an additional distinct geographic area under section
26 4(1)(d). If the boundaries of the renaissance zone are modified as
27 provided in this subsection, the additional contiguous parcel of

1 property shall become part of the original renaissance zone on the
2 same terms and conditions as the rest of the property in that
3 renaissance zone.

4 (9) A business that is located and conducts business activity
5 within a renaissance zone designated under this act, except as
6 designated under section 8a(2), ~~before December 1, 2010,~~ shall not
7 make a payment in lieu of taxes to any taxing jurisdiction within
8 the qualified local governmental unit in which the renaissance zone
9 is located.

10 (10) Notwithstanding any other provisions of this act, before
11 July 1, 2006, a qualified local governmental unit in which a
12 renaissance zone of less than 50 contiguous acres but more than 20
13 contiguous acres was designated under section 8 or 8a as a
14 renaissance zone in a city located in a county with a population of
15 more than 160,000 and less than 170,000 may modify the boundaries
16 of that renaissance zone to include a contiguous parcel of property
17 as determined by the qualified local governmental unit. The
18 contiguous parcel of property shall only include property that is
19 less than 12 acres in size. The additional contiguous parcel of
20 property included in a renaissance zone under this subsection does
21 not constitute an additional distinct geographic area under section
22 4(1)(d). If the boundaries of the renaissance zone are modified as
23 provided in this subsection, the additional contiguous parcel of
24 property shall become part of the original renaissance zone on the
25 same terms and conditions as the rest of the property in that
26 renaissance zone.

27 (11) Notwithstanding any other provisions of this act, before

1 July 1, 2006, a qualified local governmental unit in which a
2 renaissance zone of more than 500 acres was designated under
3 section 8 or 8a as a renaissance zone in a county with a population
4 of more than 61,000 and less than 64,000 may modify the boundaries
5 of that renaissance zone to include a contiguous parcel of property
6 as determined by the qualified local governmental unit. The
7 contiguous parcel of property shall only include property that is
8 less than 12 acres in size. The additional contiguous parcel of
9 property included in a renaissance zone under this subsection does
10 not constitute an additional distinct geographic area under section
11 4(1)(d). If the boundaries of the renaissance zone are modified as
12 provided in this subsection, the additional contiguous parcel of
13 property shall become part of the original renaissance zone on the
14 same terms and conditions as the rest of the property in that
15 renaissance zone.

16 (12) Notwithstanding any other provisions of this act, before
17 July 1, 2006, a qualified local governmental unit in which a
18 renaissance zone of more than 137 acres was designated under
19 section 8 or 8a as a renaissance zone in a county with a population
20 of more than 61,000 and less than 63,000 may modify the boundaries
21 of that renaissance zone to include a parcel of property that is
22 separated from the existing renaissance zone by a roadway as
23 determined by the qualified local governmental unit. The parcel of
24 property shall only include property that is less than 67 acres in
25 size. The additional contiguous parcel of property included in a
26 renaissance zone under this subsection does not constitute an
27 additional distinct geographic area under section 4(1)(d). If the

1 boundaries of the renaissance zone are modified as provided in this
2 subsection, the additional contiguous parcel of property shall
3 become part of the original renaissance zone on the same terms and
4 conditions as the rest of the property in that renaissance zone.