

# HOUSE BILL No. 5143

October 19, 2017, Introduced by Reps. Barrett, Lucido, Rabhi, Glenn, LaFave, Dianda and Cole and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 9i (MCL 211.9i), as added by 2002 PA 549.

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

1           Sec. 9i. (1) ~~Alternative~~ **SUBJECT TO SUBSECTION (2)**,  
2 **ALTERNATIVE** energy personal property is exempt from the collection  
3 of taxes under this act as provided in this section.

4           ~~—— (2) If the Michigan next energy authority certifies~~  
5 ~~alternative energy personal property as eligible for the exemption~~  
6 ~~under this section as provided in the Michigan next energy~~  
7 ~~authority act, the Michigan next energy authority shall forward a~~  
8 ~~copy of that certification to all of the following:~~

9           ~~—— (a) The secretary of the local school district in which the~~  
10 ~~alternative energy personal property is located.~~

11           ~~—— (b) The treasurer of the local tax collecting unit in which~~

1 ~~the alternative energy personal property is located.~~

2 ~~—— (3) Within 60 days after receipt of the certification of~~  
3 ~~alternative energy personal property under subsection (2), the~~  
4 ~~school board for the local school district in which the alternative~~  
5 ~~energy personal property is located, with the written concurrence~~  
6 ~~of the superintendent of the local school district, may adopt a~~  
7 ~~resolution to not exempt that alternative energy personal property~~  
8 ~~from a tax levied in that local school district under section 1212~~  
9 ~~of the revised school code, 1976 PA 451, MCL 380.1212, or a tax~~  
10 ~~levied under the revised school code, 1976 PA 451, MCL 380.1 to~~  
11 ~~380.1852, to retire outstanding bonded indebtedness. If a~~  
12 ~~resolution is adopted under this subsection, a copy of the~~  
13 ~~resolution shall be forwarded to the Michigan next energy~~  
14 ~~authority, to the treasurer of the local tax collecting unit, and~~  
15 ~~to the state treasurer. If a resolution is not adopted under this~~  
16 ~~subsection, that alternative energy personal property is exempt~~  
17 ~~from a tax levied in that local school district under section 1212~~  
18 ~~of the revised school code, 1976 PA 451, MCL 380.1212, or a tax~~  
19 ~~levied under the revised school code, 1976 PA 451, MCL 380.1 to~~  
20 ~~380.1852, to retire outstanding bonded indebtedness, for the period~~  
21 ~~provided in subsection (5).~~

22 ~~—— (4) Within 60 days after receipt of the certification of~~  
23 ~~alternative energy personal property under subsection (2), the~~  
24 ~~governing body of the local tax collecting unit in which the~~  
25 ~~alternative energy personal property is located may adopt a~~  
26 ~~resolution to not exempt that alternative energy personal property~~  
27 ~~from the taxes collected in that local tax collecting unit, except~~

1 ~~taxes collected under sections 1211 and 1212 of the revised school~~  
2 ~~code, 1976 PA 451, MCL 380.1211 and 380.1212, a tax levied under~~  
3 ~~the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to~~  
4 ~~retire outstanding bonded indebtedness, or the tax levied by this~~  
5 ~~state under the state education tax act, 1993 PA 331, MCL 211.901~~  
6 ~~to 211.906. The clerk of the local tax collecting unit shall notify~~  
7 ~~in writing the assessor of the local tax collecting unit in which~~  
8 ~~the alternative energy personal property is located and the~~  
9 ~~legislative body of each taxing unit that levies ad valorem~~  
10 ~~property taxes in that local tax collecting unit in which the~~  
11 ~~alternative energy personal property is located. Notice of the~~  
12 ~~meeting at which the resolution will be considered shall be~~  
13 ~~provided as required under the open meetings act, 1976 PA 267, MCL~~  
14 ~~15.261 to 15.275. Before acting on the resolution, the governing~~  
15 ~~body of the local tax collecting unit shall afford the assessor and~~  
16 ~~a representative of the affected taxing units an opportunity for a~~  
17 ~~hearing. If a resolution is adopted under this subsection, a copy~~  
18 ~~of the resolution shall be forwarded to the Michigan next energy~~  
19 ~~authority and to the state treasurer. If a resolution is not~~  
20 ~~adopted under this subsection, that alternative energy personal~~  
21 ~~property is exempt from the taxes collected in that local tax~~  
22 ~~collecting unit for the period provided in subsection (5), except~~  
23 ~~as otherwise provided in this section.~~

24       (2) ~~(5)~~—The exemption under this section applies to taxes  
25 levied **THE FOLLOWING:**

26       **(A) TAXES LEVIED ON ALTERNATIVE ENERGY PERSONAL PROPERTY** after  
27 December 31, 2002 and before January 1, 2013.

1           (B) TAXES LEVIED ON THAT CATEGORY OF ALTERNATIVE ENERGY  
2 PERSONAL PROPERTY DESCRIBED IN SUBSECTION (3) (A) (i) AFTER THE  
3 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION,  
4 PROVIDED THAT THE ALTERNATIVE ENERGY PERSONAL PROPERTY IS USED TO  
5 OFFSET ALL OR A PORTION OF THE RESIDENTIAL, COMMERCIAL, OR  
6 INDUSTRIAL ENERGY USAGE OF THE PERSON UPON WHOSE REAL PROPERTY THE  
7 ALTERNATIVE ENERGY PERSONAL PROPERTY IS LOCATED.

8           (3) ~~(6)~~—As used in this section:

9           (a) "Alternative energy personal property" means all of the  
10 following:

11           (i) An alternative energy system.

12           (ii) An alternative energy vehicle.

13           (iii) All personal property of an alternative energy  
14 technology business.

15           (iv) The personal property of a business that is not an  
16 alternative energy technology business that is used solely for the  
17 purpose of researching, developing, or manufacturing an alternative  
18 energy technology.

19           (b) "Alternative energy system", "alternative energy vehicle",  
20 "alternative energy technology", and "alternative energy technology  
21 business" mean those terms as defined in the Michigan next energy  
22 authority act, **2002 PA 593, MCL 207.821 TO 207.827.**