

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 46

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 9p.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9p. (1) Beginning December 31, 2020, both of the
2 following are exempt from the collection of taxes under this act:

3 (a) Eligible broadband equipment that resolves lack of
4 broadband service provided by a qualified business that has been
5 selected to receive, provisionally or otherwise, funding to support
6 the expansion of broadband networks from the Federal Communications
7 Commission, the United States Department of Agriculture, or this
8 state.

9 (b) Eligible broadband equipment that resolves lack of



1 broadband service by delivering high-speed internet access at
2 speeds of at least 25 megabits per second downstream and 3 megabits
3 per second upstream.

4 (2) To claim the exemption under this section, a qualified
5 business must file a statement from an officer of the qualified
6 business, or otherwise provide similar certification in a form and
7 manner prescribed by the department of treasury, specifically
8 describing the equipment for which the exemption is claimed and
9 certifying that all of the requirements for the exemption under
10 this section are met as to that equipment. The statement or other
11 similar certification must be filed with the department of treasury
12 by not later than February 20 of each year that the exemption is
13 claimed.

14 (3) As used in this section:

15 (a) "Eligible broadband equipment" means any personal property
16 acquired by a qualified business, such as, but not limited to,
17 fiber optic and coaxial cable, conduit, pole attachment hardware,
18 cabinets, pedestals, amplifiers, routers, servers, multiplexers,
19 antennas, and related equipment, that meets both of the following:

20 (i) Is used in the transmission or receipt of data in at least
21 1 direction.

22 (ii) Was first installed by the qualified business after
23 December 31, 2020 and before December 31, 2025, and has been used
24 by the qualified business for not more than 10 years.

25 (b) "Lack of broadband service" means either no terrestrial
26 internet access or access to terrestrial internet delivered at
27 speeds of less than 10 megabits per second downstream and 1 megabit
28 per second upstream. For purposes of this definition, a person may
29 experience lack of broadband service regardless of any access the



1 person may have to satellite internet.

2 (c) "Person" means an individual, sole proprietorship,
3 partnership, corporation, association, limited liability company,
4 or any other legal entity.

5 (d) "Qualified business" means a person who provides
6 terrestrial broadband service, including terrestrial wireless
7 broadband service.

8 Enacting section 1. This amendatory act takes effect 90 days
9 after the date it is enacted into law.