

HOUSE BILL NO. 4787

August 21, 2025, Introduced by Reps. Wendzel, Pavlov, Prestin, Wozniak and Smit and referred to Committee on Government Operations.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7yy.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7yy. (1) Subject to subsection (2), for taxes levied
2 after December 31, 2025, qualified replacement electric
3 distribution infrastructure is exempt from the collection of taxes
4 under this act. Qualified replacement electric distribution
5 infrastructure exempt under this section is subject to the specific

1 tax levied under the replacement electric distribution
2 infrastructure specific tax act.

3 (2) To obtain the exemption described in subsection (1), the
4 owner of the qualified replacement electric distribution
5 infrastructure must submit an application for the exemption to the
6 local assessing unit in which the property is located, by not later
7 than March 1 of each year, in a form and manner prescribed by the
8 department of treasury. Not more than 60 days after receiving a
9 complete and properly filed application, the local assessing unit,
10 in coordination with the department of treasury, shall determine if
11 the property for which the exemption is claimed is qualified
12 replacement electric distribution infrastructure and, if the
13 property is qualified replacement electric distribution
14 infrastructure, shall grant the exemption.

15 (3) An owner of qualified replacement electric distribution
16 infrastructure exempt under this section shall submit an annual
17 written report not later than March 31 of each year that the
18 property is subject to exemption to the Michigan public service
19 commission, or the board of directors of the cooperative electric
20 utility in which the owner's business is a member, and the local
21 tax collecting unit. The report must include all of the following
22 information:

23 (a) The location and a description of the replaced depreciated
24 electric distribution infrastructure and the exempt qualified
25 replacement electric distribution infrastructure.

26 (b) The age and condition of the depreciated electric
27 distribution infrastructure when it was replaced by the exempt
28 qualified replacement electric distribution infrastructure.

29 (c) Estimated reliability improvements and safety enhancements

1 resulting from the replacement of the depreciated electric
2 distribution infrastructure with the exempt qualified replacement
3 electric distribution infrastructure.

4 (4) As used in this section:

5 (a) "Cooperative electric utility", "qualified replacement
6 electric distribution infrastructure", and "specific tax" mean
7 those terms as defined in the replacement electric distribution
8 infrastructure specific tax act.

9 (b) "Depreciated electric distribution infrastructure" means
10 that term as used in the replacement electric distribution
11 infrastructure specific tax act.

12 Enacting section 1. This amendatory act does not take effect
13 unless House Bill No. 4788 (request no. H02451'25 a) of the 103rd
14 Legislature is enacted into law.