

THE GENERAL PROPERTY TAX ACT (EXCERPT)
Act 206 of 1893

***** 211.9n.added THIS ADDED SECTION IS EFFECTIVE MARCH 28, 2013 *****

***** 211.9n.added THIS SECTION MAY BE REPEALED. See enacting section 1 of Act 403 of 2012 *****

211.9n.added Beginning December 31, 2015; qualified previously existing personal property; exemption; affidavit; statement; definitions.

Sec. 9n. (1) Beginning December 31, 2015 and each year thereafter, qualified previously existing personal property is exempt from the collection of taxes under this act.

(2) An owner of qualified previously existing personal property shall claim the exemption under this section by filing an affidavit with the local tax collecting unit in which the qualified previously existing personal property is located and the department of treasury not later than February 20. The affidavit shall be in a form prescribed by the department of treasury. An owner of qualified previously existing personal property is only required to file the affidavit claiming the exemption under this section in the first year in which the exemption for that qualified previously existing personal property is claimed.

(3) If an affidavit claiming the exemption under this section is filed as provided in subsection (2), the owner of that qualified previously existing personal property is not required to also file a statement under section 19 for that qualified previously existing personal property in that tax year or any succeeding tax year.

(4) As used in this section:

(a) "Direct integrated support" means research and development functions, testing and quality control functions, engineering functions, warehousing facilities that directly support the owner or lessee engaging in industrial processing and that store tangible personal property owned by that owner or lessee, and sorting and distribution centers that optimize transportation and use just-in-time inventory management and material handling for inputs to industrial processing.

(b) "Eligible manufacturing personal property" means all personal property that is located on a parcel of real property if that personal property is used more than 50% of the time in industrial processing or in direct integrated support. The percentage of use of personal property in industrial processing or in direct integrated support shall be determined in the following manner:

(i) Multiply the true cash value of each individual item of personal property located on that parcel of real property by its percentage of use in industrial processing or in direct integrated support.

(ii) Add the result of the calculation under subparagraph (i) for all personal property located on that parcel of real property.

(iii) Divide the result of the calculation under subparagraph (ii) by the total true cash value of all personal property located on that parcel of real property.

(c) "Industrial processing" means the conversion or conditioning of tangible personal property by changing the form, composition, quality, combination, or character of the property for ultimate sale at retail or for use in the manufacturing of a product to ultimately be sold at retail. Industrial processing does not include the generation of electricity for sale.

(d) "Qualified previously existing personal property" means personal property that meets all of the following conditions:

(i) Is eligible manufacturing personal property.

(ii) Meets any of the following conditions:

(A) Has been subject to or exempt from the collection of taxes under this act for the immediately preceding 10 years.

(B) If that personal property was located both outside of and within this state in the immediately preceding 10 years, that personal property was subject to or exempt from the collection of taxes under this act, or would have been subject to or exempt from the collection of taxes under this act if located in this state, for the immediately preceding 10 years.

(C) If that personal property was located outside of this state in the immediately preceding 10 years, that personal property would have been subject to or exempt from the collection of taxes under this act for the immediately preceding 10 years if that personal property had been located in this state.

History: Add. 2012, Act 403, Eff. Mar. 28, 2013.

Compiler's note: Enacting section 1 of Act 403 of 2012 provides:

"Enacting section 1. Section 9n of the general property tax act, 1893 PA 206, MCL 211.9n, as added by this amendatory act, is repealed if House Bill No. 6026 of the 96th Legislature is not approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."