

**U.S. PAYMENTS IN LIEU OF TAXES (EXCERPT)**  
**Act 318 of 1941**

**3.227 Basis for determination of amount of payment.**

Sec. 7.

The amount of any payment of sums in lieu of taxes may be based on the estimated cost to each political subdivision, for and on whose behalf an agreement is entered into, of performing services for the benefit of a project during the period of an agreement, after taking into consideration the benefits to be derived by each political subdivision from such project, but shall not be in excess of the taxes which would result to each political subdivision for said period if the real property of the project within each political subdivision were taxable.

**History:** 1941, Act 318, Eff. Jan. 10, 1942 ;-- CL 1948, 3.227