

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4929**

A bill to amend 2014 PA 86, entitled  
"Local community stabilization authority act,"  
by amending section 16a (MCL 123.1356a), as amended by 2018 PA 247.

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

1           Sec. 16a. (1) Not later than June 15, 2014 and June 15, 2015,  
2 each municipality that is a tax increment finance authority shall  
3 calculate and report to the department the municipality's tax  
4 increment small taxpayer loss for the current calendar year.

5           (2) Not later than June 15, 2016, and each June 15 thereafter,  
6 each municipality that is a tax increment finance authority shall  
7 do all of the following for each of its tax increment financing  
8 plans:

9           (a) Calculate separately for each category of property the



1 captured value of all industrial personal property and commercial  
 2 personal property in the municipality that is a tax increment  
 3 finance authority in 2013 and add any increased captured value for  
 4 the current year.

5 (b) ~~From~~ **For the 2016, 2017, 2018, 2019, and 2020 calendar**  
 6 **years' calculations, from** each amount calculated in subdivision  
 7 (a), subtract the captured value of all industrial personal  
 8 property and commercial personal property in the municipality that  
 9 is a tax increment finance authority in the current year for that  
 10 category of property and multiply the resulting amount by each  
 11 individual millage rate calculated under section 13(5), to the  
 12 extent the millage is subject to capture by that tax increment  
 13 finance authority for that category of property. **For the calendar**  
 14 **year 2021 and subsequent years' calculations, from each amount**  
 15 **calculated in subdivision (a), subtract the captured value of all**  
 16 **industrial personal property and commercial personal property in**  
 17 **the municipality that is a tax increment finance authority in the**  
 18 **current year for that category of property and multiply the**  
 19 **resulting amount by each individual millage rate calculated under**  
 20 **section 13(4) and (5) and the state education tax levied under the**  
 21 **state education tax act, 1993 PA 331, MCL 211.901 to 211.906, to**  
 22 **the extent the millage is subject to capture by that tax increment**  
 23 **finance authority for that category of property.**

24 (c) Add all of the amounts calculated under subdivision (b).  
 25 If the estimated amount of tax increment revenue for the current  
 26 year for all property in the municipality that is a tax increment  
 27 finance authority is negative, the sum of the subdivision (b)  
 28 amounts calculated under this subdivision shall be reduced by that  
 29 negative amount.



1 (d) For calendar year 2017 calculations only, adjust the  
 2 amount calculated under subdivision (c) by the amount required to  
 3 reflect changes in prior year taxable values that affect any prior  
 4 year calculation under this section and that can be calculated from  
 5 taxable values reported under section 151(1) of the state school  
 6 aid act of 1979, 1979 PA 94, MCL 388.1751.

7 (e) For an obligation refinanced after 2012, estimate for the  
 8 term of the obligation:

9 (i) The cumulative school district operating tax and state  
 10 education tax that would have been captured to repay the obligation  
 11 had the obligation not been refinanced.

12 (ii) The cumulative amount calculated under subdivision (c), as  
 13 adjusted by subdivision (d), for school district operating tax and  
 14 state education tax for the obligation had it not been refinanced.

15 (f) Once the amount included in subdivision (c), as adjusted  
 16 by subdivision (d), for the current and prior years for school  
 17 operating tax and state education tax for the refinanced obligation  
 18 equals the amount estimated in subdivision (e) (ii), subtract from  
 19 the amount calculated under subdivision (c), as adjusted by  
 20 subdivision (d), the amount calculated under subdivision (c), as  
 21 adjusted by subdivision (d), for school district operating tax and  
 22 state education tax for the refinanced obligation.

23 (g) Once the amount of school district operating tax and state  
 24 education tax captured for the current and prior years to pay the  
 25 refinanced obligation equals the amount estimated under subdivision  
 26 (e) (i), subtract from the amount calculated in subdivision (c), as  
 27 adjusted by subdivision (d), the amount of school operating tax and  
 28 state education tax captured to repay the refinanced obligation.

29 (3) Not later than June 15, 2016, and each June 15 thereafter,



1 each municipality that is a tax increment finance authority shall  
2 report to the department the results of the calculations under  
3 subsection (2) for each tax increment financing plan.