



**House  
Legislative  
Analysis  
Section**

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**PA 198: WRITTEN AGREEMENTS**

**House Bill 4860**

**Sponsor: Rep. Kirk A. Profit**

**Committee: Economic Development**

**Complete to 11-15-93**

**A SUMMARY OF HOUSE BILL 4860 AS INTRODUCED 6-16-93**

The plant rehabilitation and industrial development act, also known as Public Act 198 of 1974, allows for the abatement of property taxes on industrial facilities through the creation of special districts and the levying of a specific tax in lieu of property taxes. New facilities can obtain a 50 percent abatement for up to 12 years. The tax on a replacement facility is based on the value of the facility before its improvement. A local unit of government approves or disapproves an exemption and the state tax commission issues or refuses to issue an exemption certificate based on whether the requirements of the law have been met. House Bill 4860 would specify that a new industrial facilities exemption certificate could not be approved and issued after the bill's effective date unless a written agreement had been entered into between the local governmental unit and the owner of the industrial facility and had been filed with the Department of Treasury.

**MCL 207.572**

**House Bill 4860 (11-15-93)**