

Act No. 368  
Public Acts of 1994  
Approved by the Governor  
December 26, 1994  
Filed with the Secretary of State  
December 27, 1994

**STATE OF MICHIGAN  
87TH LEGISLATURE  
REGULAR SESSION OF 1994**

Introduced by Reps Brackenridge Profit and Bullard

# **ENROLLED HOUSE BILL No. 5942**

AN ACT to amend section 12 of Act No 255 of the Public Acts of 1978 entitled An act to provide for the establishment of commercial redevelopment districts in local governmental units to provide for the exemption from certain taxes to levy and collect a specific tax upon the owners of certain facilities to provide for the disposition of the tax to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates to prescribe the powers and duties of the state tax commission and certain officers of local governmental units and to provide remedies and penalties as amended by Act No 340 of the Public Acts of 1993 being section 207 662 of the Michigan Compiled Laws and to repeal certain parts of the act

*The People of the State of Michigan enact*

Section 1 Section 12 of Act No 255 of the Public Acts of 1978 as amended by Act No 340 of the Public Acts of 1993 being section 207 662 of the Michigan Compiled Laws is amended to read as follows

Sec 12 (1) There is levied upon every owner of a new replacement or restored facility to which a commercial facilities exemption certificate is issued a specific tax to be known as the commercial facilities tax

(2) The amount of the commercial facilities tax in each year in the case of a restored facility shall be determined by multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located by the state equalized valuation of the obsolete commercial property for the tax year immediately preceding the effective date of the commercial facilities exemption certificate after deducting the state equalized valuation of the land and of personal property other than personal property assessed pursuant to section 14(6) of the general property tax act Act No 206 of the Public Acts of 1893 as amended being section 211 14 of the Michigan Compiled Laws

(3) The amount of the commercial facilities tax in each year in the case of a new or replacement facility shall be determined by multiplying the state equalized valuation of the facility excluding the land and personal property other than personal property assessed pursuant to section 14(6) of Act No 206 of the Public Acts of 1893 as amended being section 211 14 of the Michigan Compiled Laws by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied for school operating purposes by a local or intermediate school district within which the facility is located or mills levied under the state education tax act Act No 331 of the Public Acts of 1993 being sections 211 901 to 211 906 of the Michigan Compiled Laws plus 1/2 of the number of mills levied for school operating purposes in 1993

(4) The commercial facilities tax shall be collected disbursed and assessed in accordance with this act

(5) The commercial facilities tax is an annual tax payable at the same times in the same installments and to the same officer or officers as taxes imposed under Act No 206 of the Public Acts of 1893 as amended being sections 211 1 to 211 157 of the Michigan Compiled Laws are payable Except as otherwise provided in this section the officer or officers shall disburse the commercial facilities tax payments received by the officer or officers each year to and among

the state cities townships villages school districts counties and authorities at the same times and in the same proportions as required by law for the disbursement of taxes collected under Act No 206 of the Public Acts of 1893 as amended To determine the proportion for the disbursement of taxes under this subsection and for attribution of taxes under subsection (7) for taxes collected pursuant to commercial facilities exemption certificates issued before January 1 1994 the number of mills levied for local school district operating purposes to be used in the calculation shall equal the number of mills for local school district operating purposes levied in 1993 minus the number of mills levied under the state education tax act Act No 331 of the Public Acts of 1993 being sections 211 901 to 211 906 of the Michigan Compiled Laws for the year for which the disbursement is calculated

(6) Except as provided in subsection (7) for intermediate school districts receiving state aid under sections 56 62 and 81(1) of the state school aid act of 1979 Act No 94 of the Public Acts of 1979 being sections 388 1656 388 1662 and 388 1681 of the Michigan Compiled Laws of the amount that would otherwise be disbursed to an intermediate school district all or a portion to be determined on the basis of the tax rates being utilized to compute the amount of state aid shall be paid to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963 If the sum of any industrial facility taxes prescribed by Act No 198 of the Public Acts of 1974 being sections 207 551 to 207 572 of the Michigan Compiled Laws and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund that would otherwise be disbursed to the local or intermediate school district pursuant to section 11 of Act No 198 of the Public Acts of 1974 being section 207 561 of the Michigan Compiled Laws and this section exceeds the amount received by the local or intermediate school district under sections 56 62 and 81(1) of Act No 94 of the Public Acts of 1979 the department of treasury shall allocate to each eligible local or intermediate school district an amount equal to the difference between the sum of the industrial facility taxes and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund and the amount the local or intermediate school district received under sections 56 62 and 81(1) of Act No 94 of the Public Acts of 1979 This subsection applies to taxes levied before 1994

(7) For commercial facilities taxes levied after 1993 for school operating purposes the amount that would otherwise be disbursed to a local school district shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963

(8) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission

Section 2 Section 12a of Act No 255 of the Public Acts of 1978 being section 207 662a of the Michigan Compiled Laws is repealed

This act is ordered to take immediate effect

Co Clerk of the House of Representatives

Secretary of the Senate

Approved

Governor