

Act No. 447
Public Acts of 1996
Approved by the Governor
December 19, 1996
Filed with the Secretary of State
December 19, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Rep. Varga

ENROLLED HOUSE BILL No. 5198

AN ACT to amend section 1 of Act No. 189 of the Public Acts of 1953, entitled "An act to provide for the taxation of lessees and users of tax-exempt property," as amended by Act No. 305 of the Public Acts of 1984, being section 211.181 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 1 of Act No. 189 of the Public Acts of 1953, as amended by Act No. 305 of the Public Acts of 1984, being section 211.181 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 1. (1) Except as provided in this section, if real property exempt for any reason from ad valorem property taxation is leased, loaned, or otherwise made available to and used by a private individual, association, or corporation in connection with a business conducted for profit, the lessee or user of the real property is subject to taxation in the same amount and to the same extent as though the lessee or user owned the real property.

(2) Subsection (1) does not apply to all of the following:

(a) Federal property for which payments are made instead of ad valorem property taxes in amounts equivalent to taxes that might otherwise be lawfully assessed or property of a state-supported educational institution, enumerated in section 4 of article VIII of the state constitution of 1963.

(b) Property that is used as a concession at a public airport, park, market, or similar property and that is available for use by the general public.

(c) Property that is used by the lessee or user only in conjunction with a county fair, community fair, 4-H fair, or state fair of this state, or in conjunction with a special event for which the lessee or user pays a fee to the county fair, community fair, 4-H fair, or state fair. As used in this subdivision, "special event" means an event during which property is occupied by the lessee or user for not more than 14 consecutive days.

(d) For tax days before December 31, 1985, property that is used by the lessee or user in such a manner that the city or township in which the property is located receives revenue under section 17 of the horse racing law of 1995, Act No. 279 of the Public Acts of 1995, being section 431.317 of the Michigan Compiled Laws.

(e) Real property located in a renaissance zone to the extent and for the duration provided pursuant to the Michigan renaissance zone act, Act No. 376 of the Public Acts of 1996, being sections 125.2681 to 125.2696 of the Michigan Compiled Laws, except a special assessment or a tax described in section 7ff(2) of the general property tax act, Act No. 206 of the Public Acts of 1893, being section 211.7ff of the Michigan Compiled Laws.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.