



HOUSE BILL No. 5198

October 3, 1995, Introduced by Rep. Varga and referred to the Committee on Tax Policy.

A bill 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:

1 Section 1. Section 1 of Act No. 189 of the Public Acts of
2 1953, as amended by Act No. 305 of the Public Acts of 1984, being
3 section 211.181 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 1. (1) ~~When any~~ EXCEPT AS PROVIDED IN SUBSECTION
6 (2), IF real property ~~which for any reason is~~ exempt FOR ANY
7 REASON from ad valorem property taxation is leased, loaned, or
8 otherwise made available to and used by a private individual,

1 association, or corporation in connection with a business
2 conducted for profit, the ~~lessees or users~~ LESSEE OR USER of
3 ~~this~~ THE real property ~~shall be~~ IS subject to taxation in the
4 same amount and to the same extent as though the lessee or user
5 ~~were the owner of this~~ OWNED THE real property.

6 (2) Subsection (1) ~~shall~~ DOES not apply to ALL OF THE
7 FOLLOWING:

8 (a) Federal property for which payments are made instead of
9 ad valorem property taxes in amounts equivalent to taxes ~~which~~
10 THAT might otherwise be lawfully assessed or property of ~~any~~ A
11 state-supported educational institution, enumerated in section 4
12 of article ~~8~~ VIII of the state constitution of 1963.

13 (b) Property ~~which~~ THAT is used as a concession at a
14 public airport, park, market, or similar property and ~~which~~
15 THAT is available for use by the general public.

16 (c) Property ~~which~~ THAT is used by the lessee or user only
17 in conjunction with a county fair, community fair, 4-H fair, or
18 state fair of this state, or in conjunction with a special event
19 for which the lessee or user pays a fee to the county fair, com-
20 munity fair, 4-H fair, or state fair. As used in this subdivi-
21 sion, "special event" means an event during which property is
22 occupied by the lessee or user for not more than 14 consecutive
23 days.

24 (d) For tax days before December 31, 1985, property ~~which~~
25 THAT is used by the lessee or user in such a manner that the city
26 or township in which the property is located receives revenue
27 pursuant to section 13(2) of THE RACING LAW OF 1980, Act No. 327

1 of the Public Acts of 1980, being section 431.73 of the Michigan
2 Compiled Laws.

3 (E) REAL PROPERTY LOCATED IN A RENAISSANCE ZONE TO THE
4 EXTENT AND FOR THE DURATION PROVIDED PURSUANT TO THE MICHIGAN
5 RENAISSANCE ZONE ACT.