



SENATE BILL No. 1012

May 9, 1996, Introduced by Senator GAST and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to amend sections 14, 19, 20, and 20b of Act No. 224 of the Public Acts of 1985, entitled "Enterprise zone act," as amended by Act No. 311 of the Public Acts of 1994, being sections 125.2114, 125.2119, 125.2120, and 125.2120b of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 14, 19, 20, and 20b of Act No. 224 of
2 the Public Acts of 1985, as amended by Act No. 311 of the Public
3 Acts of 1994, being sections 125.2114, 125.2119, 125.2120, and
4 125.2120b of the Michigan Compiled Laws, are amended to read as
5 follows:

6 Sec. 14. (1) This section applies only to a business that
7 applies for certification as a qualified business in an
8 enterprise zone that was created before 1994.

1 (2) A business that plans to meet the construction,
2 restoration, alteration, or renovation requirements for, and that
3 does meet the other conditions for, a qualified business pre-
4 scribed in this act may apply to the local governmental unit in
5 which the business will be located as a qualified business for
6 certification as a qualified business.

7 (3) If a business applying under subsection (2) meets the
8 conditions for a qualified business prescribed by this act, other
9 than the construction, restoration, alteration, and renovation
10 requirements, that local governmental unit shall certify the
11 business as a qualified business, subject to final approval of
12 the certification by the authority.

13 (4) If a local governmental unit approves a certification,
14 the local governmental unit shall forward the application and
15 certification to the authority. If a local governmental unit
16 rejects an application, the local governmental unit shall return
17 the application to the business with a written statement of the
18 reasons for rejection.

19 (5) A business whose application for certification as a
20 qualified business is rejected by a local governmental unit may
21 submit another application to the local governmental unit or may
22 appeal the rejection to the authority.

23 (6) If a business that is certified to or appeals to the
24 authority meets the conditions for a qualified business pre-
25 scribed by this act, other than the construction, restoration,
26 alteration, and renovation requirements, the authority shall
27 approve the certification of that business as a qualified

1 business. If the authority rejects the application or appeal,
2 the authority shall return the application or appeal to the busi-
3 ness with a written statement of the reasons for rejection. A
4 business whose application is rejected by the authority may
5 resubmit the application to the authority.

6 (7) A local governmental unit or the authority shall not
7 certify a business as a qualified business after ~~+0-~~ 12 years
8 after the date on which the authority approves the first area as
9 an enterprise zone.

10 Sec. 19. An exemption or credit granted to a qualified
11 business shall continue until the certification of the qualified
12 business is revoked, as provided in this act, or for ~~+0-~~ 12
13 years from the date that the business is certified as a qualified
14 business. Even if approval of an enterprise zone is revoked by
15 the authority as provided in this act, an exemption or credit
16 granted to a qualified business located in that enterprise zone
17 shall continue until revoked or until the ~~+0-year-~~ 12-YEAR or
18 other specified period elapses.

19 Sec. 20. (1) For a qualified business located in an enter-
20 prise zone that was created before 1994, unless the certification
21 of the qualified business is revoked as provided in this act, for
22 ~~+0-~~ 12 years from the date on which construction, restoration,
23 alteration, or renovation begins, or through December 31, 2004,
24 whichever occurs first, a new facility owned by the qualified
25 existing business or industrial or commercial property located in
26 an enterprise zone owned by the qualified new business is exempt
27 from ad valorem real and personal property taxes imposed under

1 the general property tax act. For a qualified existing business
2 certified after June 1, 1990 and for purposes of this subsection
3 only, a new facility includes only the portion of the existing
4 property attributable to the restoration, alteration, or
5 renovation.

6 (2) Except as otherwise provided in this subsection, for a
7 qualified business located in an enterprise zone that was created
8 after 1993, unless the certification of the qualified business is
9 revoked as provided in this act, and except as provided in
10 section 21a(8), for 5 years from the date of certification, a
11 facility owned by the qualified business is exempt from ad
12 valorem real and personal property taxes.

13 Sec. 20b. Property that is located in the area comprising
14 an enterprise zone at the time the area is approved as an enter-
15 prise zone and for which an exemption certificate under Act
16 No. 198 of the Public Acts of 1974, being sections 207.551 to
17 ~~207.571~~ 207.572 of the Michigan Compiled Laws, is approved
18 before January 1, 1992, and revoked after April 1, 1990, if the
19 property is located in an enterprise zone that was created before
20 1994, or for which an exemption certificate is approved before
21 January 1, 1995, and revoked after July 1, 1994, if the property
22 is located in an enterprise zone that was created after 1993, at
23 the request of the owner is exempt from ad valorem real and per-
24 sonal property taxes imposed under the general property tax act
25 either for the balance of the period for which the exemption cer-
26 tificate under Act No. 198 of the Public Acts of 1974 had been

1 issued or for a period of ~~10~~ 12 years after the date of
2 revocation, whichever is less.