

REPRINT

**SUBSTITUTE FOR
SENATE BILL NO. 590**

(As Passed the Senate June 26, 1997)

A bill to amend 1978 PA 255, entitled
"Commercial redevelopment act,"
by amending section 12 (MCL 207.662), as amended by 1996 PA 450.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 12. (1) Except as provided in subsection (9), there is
2 levied upon every owner of a new, replacement, or restored facil-
3 ity to which a commercial facilities exemption certificate is
4 issued a specific tax to be known as the commercial facilities
5 tax.

6 (2) The amount of the commercial facilities tax, in each
7 year, in the case of a restored facility shall be determined by
8 multiplying the total mills levied as ad valorem taxes for that
9 year by all taxing units within which the facility is located by
10 the state equalized valuation of the obsolete commercial property
11 for the tax year immediately preceding the effective date of the

1 commercial facilities exemption certificate after deducting the
2 state equalized valuation of the land and of personal property
3 other than personal property assessed pursuant to section 14(6)
4 of the general property tax act, ~~Act No. 206 of the Public Acts~~
5 ~~of 1893, being section 211.14 of the Michigan Compiled Laws~~ 1893
6 PA 206, MCL 211.14.

7 (3) The amount of the commercial facilities tax, in each
8 year, in the case of a new or replacement facility shall be
9 determined by multiplying the state equalized valuation of the
10 facility excluding the land and personal property other than per-
11 sonal property assessed pursuant to section 14(6) of ~~Act No. 206~~
12 ~~of the Public Acts of 1893~~ THE GENERAL PROPERTY TAX ACT, 1893 PA
13 206, MCL 211.14, by the sum of 1/2 of the total mills levied as
14 ad valorem taxes for that year by all taxing units within which
15 the facility is located other than mills levied for school oper-
16 ating purposes by a local or intermediate school district within
17 which the facility is located or mills levied under the state
18 education tax act, ~~Act No. 331 of the Public Acts of 1993, being~~
19 ~~sections 211.901 to 211.906 of the Michigan Compiled Laws~~ 1993
20 PA 331, MCL 211.901 TO 211.906, plus 1/2 of the number of mills
21 levied for school operating purposes in 1993.

22 (4) The commercial facilities tax shall be collected, dis-
23 bursed, and assessed in accordance with this act.

24 (5) The commercial facilities tax is an annual tax, payable
25 at the same times, in the same installments, and to the same
26 officer or officers as taxes imposed under ~~Act No. 206 of the~~
27 ~~Public Acts of 1893, being sections 211.1 to 211.157 of the~~

~~1 Michigan Compiled Laws~~ THE GENERAL PROPERTY TAX ACT, 1893 PA
2 206, MCL 211.1 TO 211.157, are payable. Except as otherwise pro-
3 vided in this section, the officer or officers shall disburse the
4 commercial facilities tax payments received by the officer or
5 officers each year to and among the state, cities, townships,
6 villages, school districts, counties, and authorities, at the
7 same times and in the same proportions as required by law for the
8 disbursement of taxes collected under ~~Act No. 206 of the Public~~
9 ~~Acts of 1893~~ THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
10 211.1 TO 211.157. To determine the proportion for the disburse-
11 ment of taxes under this subsection and for attribution of taxes
12 under subsection (7) for taxes collected pursuant to commercial
13 facilities exemption certificates issued before January 1, 1994,
14 the number of mills levied for local school district operating
15 purposes to be used in the calculation shall equal the number of
16 mills for local school district operating purposes levied in 1993
17 minus the number of mills levied under ~~Act No. 331 of the Public~~
18 ~~Acts of 1993~~ THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL
19 211.901 TO 211.906, for the year for which the disbursement is
20 calculated.

21 (6) Except as provided in subsection (7), for intermediate
22 school districts receiving state aid under sections 56, 62, and
23 81 of the state school aid act of 1979, ~~Act No. 94 of the Public~~
24 ~~Acts of 1979, being sections 388.1656, 388.1662, and 388.1681 of~~
25 ~~the Michigan Compiled Laws~~ 1979 PA 94, MCL 388.1656, 388.1662,
26 AND 388.1681, of the amount that would otherwise be disbursed to
27 an intermediate school district, all or a portion, to be

1 determined on the basis of the tax rates being utilized to
2 compute the amount of state aid, shall be paid to the state trea-
3 sury to the credit of the state school aid fund established by
4 section 11 of article IX of the state constitution of 1963. If
5 the sum of any industrial facility taxes prescribed by ~~Act~~
6 ~~No. 198 of the Public Acts of 1974, being sections 207.551 to~~
7 ~~207.572 of the Michigan Compiled Laws~~ 1974 PA 198, 207.551 TO
8 207.572, and the commercial facilities taxes paid to the state
9 treasury to the credit of the state school aid fund that would
10 otherwise be disbursed to the local or intermediate school dis-
11 trict, pursuant to section 11 of ~~Act No. 198 of the Public Acts~~
12 ~~of 1974, being section 207.561 of the Michigan Compiled Laws~~
13 1974 PA 198, MCL 207.561, and this section, exceeds the amount
14 received by the local or intermediate school district under sec-
15 tions 56, 62, and 81 of ~~Act No. 94 of the Public Acts of 1979~~
16 THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1656,
17 388.1662, AND 388.1681, the department of treasury shall allocate
18 to each eligible local or intermediate school district an amount
19 equal to the difference between the sum of the industrial facil-
20 ity taxes and the commercial facilities taxes paid to the state
21 treasury to the credit of the state school aid fund and the
22 amount the local or intermediate school district received under
23 sections 56, 62, and 81 of ~~Act No. 94 of the Public Acts of~~
24 ~~1979~~ THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1656,
25 388.1662, AND 388.1681. This subsection applies to taxes levied
26 before 1994.

1 (7) For commercial facilities taxes levied after 1993 for
2 school operating purposes, the amount that would otherwise be
3 disbursed to a local school district shall be paid instead to the
4 state treasury and credited to the state school aid fund estab-
5 lished by section 11 of article IX of the state constitution of
6 1963.

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

10 (9) A new, replacement, or restored facility located in a
11 renaissance zone under the Michigan renaissance zone act, ~~Act~~
12 ~~No. 376 of the Public Acts of 1996, being sections 125.2681 to~~
13 ~~125.2696 of the Michigan Compiled Laws~~ 1996 PA 376, MCL 125.2681
14 TO 125.2696, is exempt from the commercial facilities tax levied
15 under this act to the extent and for the duration provided pursu-
16 ant to ~~Act No. 376 of the Public Acts of 1996~~ THE MICHIGAN
17 RENAISSANCE ZONE ACT, 1996 PA 376, MCL 125.2681 TO 125.2696,
18 except for that portion of the commercial facilities tax attrib-
19 utable to a special assessment or a tax described in
20 section 7ff(2) of the general property tax act, ~~Act No. 206 of~~
21 ~~the Public Acts of 1893, being section 211.7ff of the Michigan~~
22 ~~Compiled Laws~~ 1893 PA 206, MCL 211.7FF. The commercial facili-
23 ties tax calculated under this subsection shall be disbursed pro-
24 portionately to the local taxing unit or units that levied the
25 special assessment or the tax described in section 7ff(2) of ~~Act~~
26 ~~No. 206 of the Public Acts of 1893~~ THE GENERAL PROPERTY TAX ACT,
27 1893 PA 206, MCL 211.7FF.

SB0590, As Passed House, June 9, 1998

Senate Bill No. 590

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1 (10) AS USED IN THIS ACT, FACILITY DOES NOT INCLUDE A
2 CASINO. AS USED IN THIS SUBSECTION, "CASINO" MEANS A CASINO OR A
3 PARKING LOT, HOTEL, MOTEL, OR RETAIL STORE OWNED OR OPERATED BY A
4 CASINO, AN AFFILIATE, OR AN AFFILIATED COMPANY, REGULATED BY THIS
5 STATE PURSUANT TO THE MICHIGAN GAMING CONTROL AND REVENUE ACT,
6 THE INITIATED LAW OF 1996, MCL 432.201 TO 432.216.