

HOUSE BILL No. 5050

July 15, 1997, Introduced by Rep. Profit and referred to the Committee on Urban Policy and Economic Development.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 9 and 10 (MCL 125.2689 and 125.2690).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) Except as otherwise provided in section 10, an
2 individual who is a resident of a renaissance zone or a business
3 that is located and conducts business activity within a renaiss-
4 sance zone shall receive the exemption, deduction, or credit as
5 provided in the following for the period provided under section
6 6(2)(b):

7 (a) Section 39b of the single business tax act, ~~Act No. 228~~
8 ~~of the Public Acts of 1975, being section 208.39b of the Michigan~~
9 ~~Compiled Laws~~ 1975 PA 228, MCL 208.39B.

1 (b) Section 31 of the income tax act of 1967, ~~Act No. 281~~
2 ~~of the Public Acts of 1967, being section 206.31 of the Michigan~~
3 ~~Compiled Laws~~ 1967 PA 281, MCL 206.31.

4 (c) Section 35 of chapter 2 of the city income tax act, ~~Act~~
5 ~~No. 284 of the Public Acts of 1964, being section 141.635 of the~~
6 ~~Michigan Compiled Laws~~ 1964 PA 284, MCL 141.635.

7 (d) Section 5 of the city utility users tax act, ~~Act~~
8 ~~No. 100 of the Public Acts of 1990, being section 141.1155 of the~~
9 ~~Michigan Compiled Laws~~ 1990 PA 100, MCL 141.1155.

10 (2) Except as otherwise provided in section 10, property
11 located in a renaissance zone is exempt from the collection of
12 taxes under all of the following:

13 (a) Section 7ff of the general property tax act, ~~Act~~
14 ~~No. 206 of the Public Acts of 1893, being section 211.7ff of the~~
15 ~~Michigan Compiled Laws~~ 1893 PA 206, MCL 211.7FF.

16 (b) Section 11 of ~~Act No. 198 of the Public Acts of 1974,~~
17 ~~being section 207.561 of the Michigan Compiled Laws~~ 1974 PA 198,
18 MCL 207.561.

19 (c) Section 12 of the commercial redevelopment act, ~~Act~~
20 ~~No. 255 of the Public Acts of 1978, being section 207.662 of the~~
21 ~~Michigan Compiled Laws~~ 1978 PA 255, MCL 207.662.

22 (d) Section 21c of the enterprise zone act, ~~Act No. 224 of~~
23 ~~the Public Acts of 1985, being section 125.2121c of the Michigan~~
24 ~~Compiled Laws~~ 1985 PA 224, MCL 125.2121C.

25 (e) Section 1 of ~~Act No. 189 of the Public Acts of 1953,~~
26 ~~being section 211.181 of the Michigan Compiled Laws~~ 1953 PA 189,
27 MCL 211.181.

1 (f) Section 12 of the technology park development act, ~~Act~~
2 ~~No. 385 of the Public Acts of 1984, being section 207.712 of the~~
3 ~~Michigan Compiled Laws~~ 1984 PA 385, MCL 207.712.

4 (g) Section 51105 of part 511 (commercial forests) of the
5 natural resources and environmental protection act, ~~Act No. 451~~
6 ~~of the Public Acts of 1994, being section 324.51105 of the~~
7 ~~Michigan Compiled Laws~~ 1994 PA 451, MCL 324.51105.

8 (h) Section 9 of the neighborhood enterprise zone act, ~~Act~~
9 ~~No. 147 of the Public Acts of 1992, being section 207.779 of the~~
10 ~~Michigan Compiled Laws~~ 1992 PA 147, MCL 207.779.

11 (I) SECTION 5C OF 1905 PA 282, MCL 207.5C.

12 (3) During the last 3 years that the taxpayer is eligible
13 for an exemption, deduction, or credit described in
14 subsections (1) and (2), the exemption, deduction, or credit
15 shall be reduced by the following percentages:

16 (a) For the tax year that is 2 years before the final year
17 of designation as a renaissance zone, the percentage shall be
18 25%.

19 (b) For the tax year immediately preceding the final year of
20 designation as a renaissance zone, the percentage shall be 50%.

21 (c) For the tax year that is the final year of designation
22 as a renaissance zone, the percentage shall be 75%.

23 Sec. 10. (1) An individual who is a resident of a renaiss-
24 sance zone or a business that is located and conducts business
25 activity within a renaissance zone or a person that owns property
26 located in a renaissance zone that does 1 or more of the

1 following is not eligible for the exemption, deduction, or credit
2 listed in section 9(1) or (2) for that taxable year:

3 (a) Is delinquent under 1 or more of the following:

4 (i) The single business tax act, ~~Act No. 228 of the Public~~
5 ~~Acts of 1975, being sections 208.1 to 208.145 of the Michigan~~
6 ~~Compiled Laws~~ 1975 PA 228, MCL 208.1 TO 208.145.

7 (ii) The income tax act of 1967, ~~Act No. 281 of the Public~~
8 ~~Acts of 1967, being sections 206.1 to 206.532 of the Michigan~~
9 ~~Compiled Laws~~ 1967 PA 281, MCL 206.1 TO 206.532.

10 (iii) The city income tax act, ~~Act No. 284 of the Public~~
11 ~~Acts of 1964, being sections 141.501 to 141.787 of the Michigan~~
12 ~~Compiled Laws~~ 1964 PA 284, MCL 141.501 TO 141.787.

13 (iv) ~~Act No. 198 of the Public Acts of 1974, being sections~~
14 ~~207.551 to 207.572 of the Michigan Compiled Laws~~ 1974 PA 198,
15 MCL 207.551 TO 207.572.

16 (v) The commercial redevelopment act, ~~Act No. 255 of the~~
17 ~~Public Acts of 1978, being sections 207.651 to 207.668 of the~~
18 ~~Michigan Compiled Laws~~ 1978 PA 255, MCL 207.651 TO 207.668.

19 (vi) The enterprise zone act, ~~Act No. 224 of the Public~~
20 ~~Acts of 1985, being section 125.2101 to 125.2123 of the Michigan~~
21 ~~Compiled Laws~~ 1985 PA 224, MCL 125.2101 TO 125.2123.

22 (vii) ~~Act No. 189 of the Public Acts of 1953, being sec-~~
23 ~~tions 211.181 to 211.182 of the Michigan Compiled Laws~~ 1953 PA
24 189, MCL 211.181 TO 211.182.

25 (viii) The technology park development act, ~~Act No. 385 of~~
26 ~~the Public Acts of 1984, being sections 207.701 to 207.718 of the~~
27 ~~Michigan Compiled Laws~~ 1984 PA 385, MCL 207.701 TO 207.718.

1 (ix) Part 511 (commercial forests) of the natural resources
2 and environmental protection act, ~~Act No. 451 of the Public Acts~~
3 ~~of 1994, being section 324.51101 to 324.51120 of the Michigan~~
4 ~~Compiled Laws~~ 1994 PA 451, MCL 324.51101 TO 324.51120.

5 (x) The neighborhood enterprise zone act, ~~Act No. 147 of~~
6 ~~the Public Acts of 1992, being sections 207.771 to 207.787 of the~~
7 ~~Michigan Compiled Laws~~ 1992 PA 147, MCL 207.771 TO 207.787.

8 (xi) The city utility users tax act, ~~Act No. 100 of the~~
9 ~~Public Acts of 1990, being sections 141.1151 to 141.1177 of the~~
10 ~~Michigan Compiled Laws~~ 1990 PA 100, MCL 141.1151 TO 141.1177.

11 (xii) Taxes, fees, and special assessments collected under
12 the general property tax act, ~~Act No. 206 of the Public Acts of~~
13 ~~1893, being sections 211.1 to 211.157 of the Michigan Compiled~~
14 ~~Laws~~ 1893 PA 206, MCL 211.1 TO 211.157.

15 (xiii) 1905 PA 282, MCL 207.1 TO 207.21.

16 (b) For residential rental property in a renaissance zone,
17 the residential rental property is not in substantial compliance
18 with all applicable state and local zoning, building, and housing
19 laws, ordinances, or codes and the residential rental property
20 owner has not filed an affidavit before December 31 in the imme-
21 diately preceding tax year with the local tax collecting unit in
22 which the residential rental property is located as required
23 under section 7ff of ~~Act No. 206 of the Public Acts of 1893,~~
24 ~~being section 211.7ff of the Michigan Compiled Laws~~ THE GENERAL
25 PROPERTY TAX ACT, 1893 PA 206, MCL 211.7FF.

26 (2) A business located in a qualified local governmental
27 unit that relocates from outside a renaissance zone into a

1 renaissance zone in that same qualified local governmental unit
2 shall not receive the exemptions, deductions, or credits
3 described in section 9 unless the governing body of the qualified
4 local governmental unit in which the renaissance zone is located
5 approves the relocation of the business.

6 (3) If a business relocates more than 25 full-time equiva-
7 lent jobs from 1 or more local governmental units other than a
8 local governmental unit in which a renaissance zone is located to
9 a local governmental unit within a renaissance zone, the business
10 shall notify the Michigan jobs commission and the local govern-
11 mental unit from which the jobs are being relocated of the
12 relocation. The business is not eligible for the exemptions,
13 deductions, or credits listed in section 9(1) and (2) if the
14 local governmental unit from which the jobs are being relocated
15 adopts a resolution objecting to the relocation of the jobs
16 within 60 days after the notification by the business. The busi-
17 ness becomes eligible for the exemptions, deductions, and credits
18 listed in section 9(1) and (2) when the local governmental unit
19 that objected to the relocation rescinds its objection by
20 resolution. A local governmental unit that objects to the relo-
21 cation of jobs shall file a copy of all resolutions of objection
22 and rescission with the department of treasury, Michigan jobs
23 commission, county or local governmental unit that created the
24 renaissance zone into which the jobs are transferred, and the
25 local governmental unit into which the jobs are transferred. As
26 used in this subsection only, "local governmental unit" means a
27 city, village, or township.

1 (4) An individual who is a resident of a renaissance zone is
2 eligible for an exemption, deduction, or credit under section
3 9(1) and (2) until the department of treasury determines that the
4 aggregate state and local tax revenue forgone as a result of all
5 exemptions, deductions, or credits granted under this act to that
6 individual reaches \$10,000,000.00.