

HOUSE BILL No. 5859

May 13, 1998, Introduced by Reps. Hanley, Thomas, Hale, Wojno, Mans and Cassis and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7ff (MCL 211.7ff), as amended by 1998 PA 18.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7ff. (1) For taxes levied after 1996, except as other-
2 wise provided in subsections (2) and (3) and except as limited in
3 subsections (4), (5), ~~and~~ (6), AND (7), real property in a
4 renaissance zone and personal property located in a renaissance
5 zone is exempt from taxes collected under this act to the extent
6 and for the duration provided pursuant to the Michigan renais-
7 sance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.
- 8 (2) Real and personal property in a renaissance zone is not
9 exempt from collection of the following:
- 10 (a) A special assessment levied by the local tax collecting
11 unit in which the property is located.

1 (b) Ad valorem property taxes specifically levied for the
2 payment of principal and interest of obligations approved by the
3 electors or obligations pledging the unlimited taxing power of
4 the local governmental unit.

5 (c) A tax levied under section 705, 1211c, or 1212 of the
6 revised school code, 1976 PA 451, MCL 380.705, 380.1211c, and
7 380.1212.

8 (3) Real property in a renaissance zone on which a casino is
9 operated and personal property of a casino located in a renais-
10 sance zone is not exempt from the collection of taxes under this
11 act. As used in this subsection, "casino" means a casino regu-
12 lated by this state pursuant to the Michigan gaming control and
13 revenue act, Initiated Law of 1996, MCL 432.201 to 432.226, and
14 all property associated or affiliated with the operation of a
15 casino, including, but not limited to, a parking lot, hotel,
16 motel, or retail store.

17 (4) For residential rental property in a renaissance zone,
18 the exemption provided under this section is only available if
19 that residential rental property is in substantial compliance
20 with all applicable state and local zoning, building, and housing
21 laws, ordinances, or codes and the property owner files an affi-
22 davit before December 31 in the immediately preceding tax year
23 with the treasurer of the local tax collecting unit in which the
24 property is located stating that the property is in substantial
25 compliance with all applicable state and local zoning, building,
26 and housing laws, ordinances, or codes.

1 (5) Except as otherwise provided in ~~subsection~~ SUBSECTIONS
2 (6) AND (7), personal property is exempt under this section if
3 that property is located in a renaissance zone on tax day as pro-
4 vided in section 2 and was located in that renaissance zone for
5 not less than 50% of the immediately preceding tax year. The
6 written statement required under section 18 shall identify all
7 personal property located in a renaissance zone on the tax day
8 provided in section 2 and shall indicate whether that personal
9 property was located in that renaissance zone for 50% of the
10 immediately preceding tax year.

11 (6) Personal property located in a renaissance zone on tax
12 day as provided in section 2 and located in that renaissance zone
13 for less than 50% of the immediately preceding tax year is exempt
14 under this section if all of the following conditions are
15 satisfied:

16 (a) The personal property was not previously located in this
17 state.

18 (b) An owner of the personal property files an affidavit
19 with the written statement required under section 18 stating that
20 the personal property will be located in that renaissance zone
21 for not less than 50% of ~~that~~ THE tax year FOR WHICH THE EXEMP-
22 TION IS CLAIMED. The written statement required under section 18
23 shall identify all personal property located in that renaissance
24 zone on the tax day provided in section 2 and identify that per-
25 sonal property for which an exemption is claimed under this
26 subsection.

1 (7) PERSONAL PROPERTY LOCATED IN A RENAISSANCE ZONE ON TAX
2 DAY AS PROVIDED IN SECTION 2 AND LOCATED IN THAT RENAISSANCE ZONE
3 FOR LESS THAN 50% OF THE IMMEDIATELY PRECEDING TAX YEAR IS EXEMPT
4 TO THE EXTENT PROVIDED UNDER SUBSECTION (8) IF AN OWNER OF THE
5 PERSONAL PROPERTY FILES AN AFFIDAVIT WITH THE WRITTEN STATEMENT
6 REQUIRED UNDER SECTION 18 STATING THAT THE PERSONAL PROPERTY WILL
7 BE LOCATED IN THAT RENAISSANCE ZONE FOR NOT LESS THAN 50% OF THE
8 TAX YEAR FOR WHICH THE EXEMPTION IS CLAIMED. THE WRITTEN STATE-
9 MENT REQUIRED UNDER SECTION 18 SHALL INCLUDE ALL OF THE
10 FOLLOWING:

11 (A) IDENTIFY ALL PERSONAL PROPERTY LOCATED IN THAT RENAISS-
12 SANCE ZONE ON THE TAX DAY PROVIDED IN SECTION 2.

13 (B) IDENTIFY THE PERSONAL PROPERTY FOR WHICH AN EXEMPTION IS
14 CLAIMED UNDER THIS SUBSECTION.

15 (C) INDICATE THE NUMBER OF DAYS THAT PERSONAL PROPERTY WAS
16 LOCATED IN THAT RENAISSANCE ZONE IN THE IMMEDIATELY PRECEDING TAX
17 YEAR.

18 (D) INDICATE THE AMOUNT OF THE EXEMPTION CLAIMED AS CALCU-
19 LATED UNDER SUBSECTION (8).

20 (8) THE EXEMPTION FOR PERSONAL PROPERTY UNDER SUBSECTION (7)
21 SHALL BE CALCULATED BY MULTIPLYING THE TAXABLE VALUE OF THE PER-
22 SONAL PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED BY A FRACTION
23 THE NUMERATOR OF WHICH IS THE NUMBER OF DAYS THAT THE PERSONAL
24 PROPERTY WAS LOCATED IN THE RENAISSANCE ZONE IN WHICH IT WAS
25 LOCATED ON TAX DAY AS PROVIDED IN SECTION 2 AND THE DENOMINATOR
26 OF WHICH IS 365.

1 (9) ~~-(7)-~~ As used in this section:

2 (a) "Renaissance zone" means that area designated a
3 renaissance zone under the Michigan renaissance zone act, 1996 PA
4 376, MCL 125.2681 to 125.2696.

5 (b) "Residential rental property" means that portion of real
6 property not occupied by an owner of that real property that is
7 classified as residential real property under section 34c, is a
8 multiple-unit dwelling, or is a dwelling unit in a multiple pur-
9 pose structure, used for residential purposes, and all personal
10 property located in that real property.