

SENATE BILL NO. 605

June 11, 1997, Introduced by Senator EMMONS and referred
to the Committee on Gaming and Casino Oversight.

A bill to provide for a casino facility tax; to provide for the exemption of certain taxes; to provide for the levy and collection of a specific tax on the owners of certain facilities; and to prescribe the powers and duties of certain officers of this state and local governmental units.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "casino facility tax act".

3 Sec. 2. The legislature finds and declares the following:

4 (a) Casino gaming causes social ills and negatively affects
5 the health, safety, and welfare of the citizens of this state.

6 (b) Casino gaming is a revocable privilege for certain indi-
7 viduals that was previously prohibited and a crime in this
8 state.

1 (c) Casino gaming disproportionately increases the use of
2 state and local services, including, but not limited to police
3 and fire services, court services, and regulatory activity.

4 (d) Casino gaming encourages and enables compulsive gambling
5 to the detriment of the citizens of this state.

6 (e) Casino gaming causes an increase in criminal activity.

7 (f) Casino gaming provided for in the Michigan gaming con-
8 trol and revenue act, the Initiated Law of 1996, MCL 432.201 to
9 432.216, will cause a loss of revenue to this state from Indian
10 casino gaming in this state.

11 Sec. 3. As used in this act:

12 (a) "Commission" means the state tax commission created by
13 1927 PA 360, MCL 209.101 to 209.107.

14 (b) "Casino facility" means a building or structure in which
15 casino gaming is conducted under a casino license issued under
16 the Michigan gaming control and revenue act, the Initiated Law of
17 1996, MCL 432.201 to 432.216. Casino facility includes personal
18 property associated with casino gaming.

19 (c) "Casino facility tax" means the specific tax created in
20 section 4.

21 (d) "Owner" means the record title holder of, or the vendee
22 of the original land contract pertaining to, a casino facility.

23 Sec. 4. (1) There is levied on the owner of a casino facil-
24 ity but not the land on which the casino facility is located a
25 specific tax known as the casino facility tax.

26 (2) A casino facility but not the land on which the casino
27 facility is located is exempt from ad valorem real property taxes

1 levied or collected under the general property tax act, 1893
2 PA 206, MCL 211.1 to 211.157.

3 (3) The amount of the casino facility tax on a casino facil-
4 ity is determined each year by multiplying the state equalized
5 valuation of the facility by twice the rate of taxation levied in
6 the local governmental unit in which the casino facility is
7 located.

8 (4) The casino facility tax is an annual tax, payable at the
9 same times, in the same installments, and to the same officer or
10 officers as taxes collected under the general property tax act,
11 1893 PA 206, MCL 211.1 to 211.157, are payable. Except as other-
12 wise provided in this section, the officer or officers shall dis-
13 burse the casino facility tax received by the officer or officers
14 each year as follows:

15 (i) Fifty percent to the state, cities, townships, villages,
16 school districts, intermediate school districts, counties, and
17 authorities at the same times and in the same proportions as
18 required for the disbursement of taxes collected under the gen-
19 eral property tax act, 1893 PA 206, MCL 211.1 to 211.157.

20 (ii) Fifty percent as follows:

21 (A) Fifty-five percent to the city in which the casino
22 facility is located for the same purposes as described in section
23 12(c)(1) of the Michigan gaming control and revenue act, the
24 Initiated Law of 1996, MCL 432.212.

25 (B) Forty-five percent to this state to be used for all of
26 the following purposes:

(I) Law enforcement and administration.

(II) Counseling and assistance for compulsive gamblers.

(5) The officer or officers collecting the tax shall send a

copy of the amount of disbursement made to each unit under this

section to the commission on a form provided by the commission.

The casino facility tax is a lien on the real property upon which

the casino facility is located and on the casino facility itself,

until paid.

(6) If payment of the tax under this act is not made by the

March 1 following the levy of the tax, the tax shall be turned

over to the county treasurer and collected in the same manner as

a delinquent tax under the general property tax act, 1893 PA 206,

MCL 211.1 to 211.157.

Sec. 5. (1) The assessor of each local governmental unit in

which a casino facility is located shall determine annually, with

respect to each casino facility, the assessed valuation of the

property comprising the casino facility and the amount of ad

valorem property tax that would have been paid with respect to

each casino facility under the general property tax act, 1893

PA 206, MCL 211.1 to 211.157.

(2) After making the determinations under subsection (1),

the assessor shall send annually notification of those determina-

tions to the commission, the governing body of each taxing unit

that levies taxes upon property in the local governmental unit in

which the casino facility is located, and the owner of the casino

facility. The notice shall be sent by certified mail not later

1 than October 15 and shall be based upon the valuation as of the
2 immediately preceding December 31.