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## PA 198: ELIMINATE APPROVAL OF JOB-LOSING UNIT

**House Bill 4844**

**Sponsor: Rep. Jennifer Faunce**

**Committee: Tax Policy**

**Complete to 9-24-99**

### **A SUMMARY OF HOUSE BILL 4844 AS INTRODUCED 9-22-99**

Under the plant rehabilitation and industrial development act, commonly known as P.A. 198, local units of government can provide new, renovated, or expanded industrial facilities with a 50 percent property tax abatement for up to 12 years. An application for an exemption certificate approved by a local unit is forwarded to the State Tax Commission, which decides if the application and certificate conform with state law.

The act says a local unit cannot approve an application and the state commission cannot grant an exemption certificate when the proposed facility would transfer employment from one or more local units to the local unit in which the facility is to be located unless the negatively affected local unit consents by resolution to the granting of the certificate. House Bill 4844 would amend the act to eliminate this provision.

The bill would also include under the definition of “industrial property” an electric generating plant that was not owned by a local unit of government, and would include the operation of such an electric generating plant in the definition of the “manufacture of goods or materials” or “processing of goods or materials”. [The act, however, would continue to specify that property of a public utility, other than certain property of a nonprofit cooperative power corporation, was not considered industrial property.] The bill also would include under the definition of “industrial property” convention and trade centers over 250,000 square feet in size. The bill would eliminate from the definition of “industrial property” the operation of a theme and recreation park located in an industrial park district.

MCL 207.554 et al.

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