

Act No. 317
Public Acts of 2000
Approved by the Governor
October 24, 2000
Filed with the Secretary of State
October 24, 2000
EFFECTIVE DATE: October 24, 2000

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 2000**

Introduced by Reps. Cassis, Mead, Gilbert, Pappageorge, Bishop, Gosselin and Voorhees

ENROLLED HOUSE BILL No. 5153

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 9c (MCL 211.9c).

The People of the State of Michigan enact:

Sec. 9c. (1) Personal property that is inventory is exempt from the collection of taxes under this act.

(2) As used in this section:

(a) "Heavy earth moving equipment" means industrial construction equipment that meets all of the following criteria:

(i) Is self-propelled.

(ii) Weighs 10,000 pounds or more.

(iii) Is designed and principally intended to move, transport, or reconfigure dirt, earth, soil, or other construction material at a construction site.

(b) "Inventory" means 1 of the following:

(i) The stock of goods held for resale in the regular course of trade of a retail or wholesale business.

(ii) Finished goods, goods in process, and raw materials of a manufacturing business.

(iii) Materials and supplies, including repair parts and fuel.

(iv) On and after December 31, 2000, heavy earth moving equipment subject to 1 or more lease agreements with the same person totaling not more than 1 year and principally intended for sale rather than lease. A lease agreement used to support this exemption shall be made available to the assessor on request and shall be considered confidential information to be used for assessment purposes only.

(3) Inventory does not include the following:

(a) Before December 31, 2000, any of the following:

(i) Personal property under lease or principally intended for lease rather than sale.

(ii) Personal property allowed a deduction or allowance for depreciation or depletion under the internal revenue code of 1986.

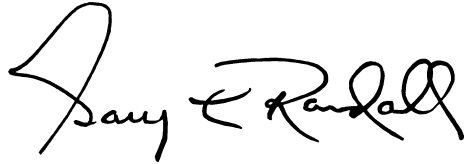
(b) On and after December 31, 2000, any of the following:

(i) Personal property, other than heavy earth moving equipment, under lease or principally intended for lease rather than sale.

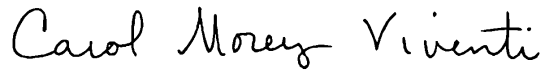
(ii) Heavy earth moving equipment subject to 1 or more lease agreements with the same person totaling more than 1 year or principally intended for lease rather than sale.

(iii) Personal property for which a deduction or allowance for depreciation, depletion, or amortization is allowed or has been taken under the internal revenue code of 1986.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.