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ALLOW P.A. 198 ADMIN. FEES

House Bill 4156 Sponsor: Rep. Gary Woronchak Committee: Commerce

Complete to 3-2-01

A SUMMARY OF HOUSE BILL 4156 AS INTRODUCED 2-7-01

The bill would amend the Plant Rehabilitation and Industrial Development Districts Act (often referred to as P.A. 198) to allow the imposition of an annual administrative fee to accompany the payment of the specific tax that is levied under the act in lieu of property taxes. P.A. 198 of 1974, generally speaking, allows for property tax abatements to be granted on manufacturing property. The calls for the specific tax to be paid "at the same times, in the same installments, and to the same officer or officers as taxes imposed under the General Property Tax Act."

Specifically, the bill would allow the imposition of an administrative fee "in the same amount and to the extent an administrative fee is charged [under] the General Property Tax Act." Under that act, a local property tax collecting unit can collect a one- percent property tax administration fee (and late penalty charges) if the local governing body approves such a fee by resolution or ordinance.

MCL 207.561

Analyst: C. Couch

[■]This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.