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**SFA****BILL ANALYSIS**

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House Bill 6071 (Substitute H-3 as discharged)  
Sponsor: Representative Gene DeRossett  
House Committee: Energy and Technology  
Senate Committee: Finance

### **CONTENT**

The bill would amend the Michigan Renaissance Zone Act to allow the Michigan Strategic Fund board to designate two renaissance zones as alternative energy zones. An alternative energy zone would have to be dedicated to the support, research, development, enhancement, and manufacturing of alternative energy technology. An alternative energy zone would have a duration of renaissance zone status for not more than 20 years as determined by the board. If the board created an additional alternative energy zone, it would have to be located in a rural area.

The bill provides that property located in the alternative energy zone that was classified as commercial real property under the General Property Tax Act, and that the Michigan NextEnergy Authority, with the concurrence of the assessor of the local tax collecting unit, determined was not used to directly promote and increase the research, development, and manufacturing of alternative energy technology, would not be eligible for any exemption, deduction, or credit under the Act. (Under the Act, within an area designated as a renaissance zone, businesses and residents are eligible for certain tax exemptions and credits, including an exemption from property taxes, the State income tax, and the single business tax.)

MCL 125.2688a

Legislative Analyst: George Towne

### **FISCAL IMPACT**

This bill does not expand the number of renaissance zones, but would allow up to two of the existing authorized renaissance zones to be alternative energy zones. Therefore, this bill would have no fiscal impact.

Date Completed: 6-19-02

Fiscal Analyst: Jay Wortley