

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4472**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 9f (MCL 211.9f), as amended by 2000 PA 415.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9f. (1) The governing body of an eligible local
2 assessing district may adopt a resolution to exempt from the
3 collection of taxes under this act all new personal property
4 owned or leased by an eligible business located in 1 or more
5 eligible districts designated in the resolution. The clerk of
6 the eligible local assessing district shall notify in writing the
7 assessor of the local tax collecting unit in which the eligible
8 district is located and the legislative body of each taxing unit
9 that levies ad valorem property taxes in the eligible local
10 assessing district in which the eligible district is located.
11 Before acting on the resolution, the governing body of the

1 eligible local assessing district shall afford the assessor and a
2 representative of the affected taxing units an opportunity for a
3 hearing.

4 (2) The exemption under this section is effective on the
5 December 31 immediately succeeding the adoption of the resolution
6 by the governing body of the eligible local assessing district
7 and shall continue in effect for a period specified in the
8 resolution. A copy of the resolution shall be filed with the
9 state tax commission. A resolution is not effective unless
10 approved by the state tax commission as provided in subsection
11 (3).

12 (3) Not more than 60 days after receipt of a copy of the
13 resolution adopted under subsection (1), the state tax commission
14 shall approve or disapprove the resolution. The state treasurer,
15 with the written concurrence of the president of the Michigan
16 strategic fund, shall advise the state tax commission as to
17 whether exempting new personal property of the eligible business
18 is necessary to reduce unemployment, promote economic growth, and
19 increase capital investment in this state.

20 (4) Notwithstanding the amendatory act that added section
21 2(1)(c), all of the following shall apply to an exemption under
22 this section that was approved by the state tax commission on or
23 before April 30, 1999, regardless of the effective date of the
24 exemption:

25 (a) The exemption shall be continued for the term authorized
26 by the resolution adopted by the governing body of the eligible
27 local assessing district and approved by the state tax commission

1 with respect to buildings and improvements constructed on leased
2 real property during the term of the exemption if the value of
3 the real property is not assessed to the owner of the buildings
4 and improvements.

5 (b) The exemption shall not be impaired or restricted with
6 respect to buildings and improvements constructed on leased real
7 property during the term of the exemption if the value of the
8 real property is not assessed to the owner of the buildings and
9 improvements.

10 (5) As used in this section:

11 (a) "Eligible business" means, effective August 7, 1998, a
12 business engaged primarily in manufacturing, mining, research and
13 development, wholesale trade, or office operations. Eligible
14 business does not include a casino, retail establishment,
15 professional sports stadium, or that portion of an eligible
16 business used exclusively for retail sales. As used in this
17 subdivision, "casino" means a casino regulated by this state
18 pursuant to the Michigan gaming control and revenue act, the
19 Initiated Law of 1996, MCL 432.201 to 432.226, and all property
20 associated or affiliated with the operation of a casino,
21 including, but not limited to, a parking lot, hotel, motel, or
22 retail store.

23 (b) "Eligible district" means 1 or more of the following:

24 (i) An industrial development district as that term is
25 defined in 1974 PA 198, MCL 207.551 to 207.572.

26 (ii) A renaissance zone as that term is defined in the
27 Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to

1 125.2696.

2 (iii) An enterprise zone as that term is defined in the
3 enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.

4 (iv) A brownfield redevelopment zone as that term is
5 designated under the brownfield redevelopment financing act, 1996
6 PA 381, MCL 125.2651 to 125.2672.

7 (v) An empowerment zone designated under subchapter U of
8 chapter 1 of the internal revenue code of 1986, 26 ~~U.S.C.~~ **USC**
9 1391 to ~~1397C and 1397E to~~ 1397F.

10 (vi) An authority district or a development area as those
11 terms are defined in the tax increment finance authority act,
12 1980 PA 450, MCL 125.1801 to 125.1830.

13 (vii) An authority district as that term is defined in the
14 local development financing act, 1986 PA 281, MCL 125.2151 to
15 125.2174.

16 (viii) A downtown district or a development area as those
17 terms are defined in 1975 PA 197, MCL 125.1651 to 125.1681.

18 (c) "Eligible distressed area" means ~~that~~ **1 of the**
19 **following:**

20 (i) **That** term as defined in section 11 of the state housing
21 development authority act of 1966, 1966 PA 346, MCL 125.1411.

22 (ii) **An area that contains an eligible business as described**
23 **in section 8(5)(b)(ii) of the Michigan economic growth authority**
24 **act, 1995 PA 24, MCL 207.808.**

25 (d) "Eligible local assessing district" means a city,
26 village, or township that contains an eligible distressed area.

27 (e) "New personal property" means personal property that was

1 not previously subject to tax under this act and that is placed
2 in an eligible district after a resolution under subsection (1)
3 is approved by the eligible local assessing district. As used in
4 this subdivision, for exemptions approved by the state tax
5 commission under subsection (3) after April 30, 1999, new
6 personal property does not include buildings described in
7 section 14(6) and personal property described in section 8(h),
8 (i), and (j).