

SUBSTITUTE FOR
HOUSE BILL NO. 5823

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.157) by adding section 7ii.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7ii. (1) Except as otherwise provided in subsection
2 (2), real property designated as an innovations center that is
3 located in a certified technology park is exempt from the
4 collection of taxes under this act.

5 (2) Not more than 1 innovations center located in a certified
6 technology park is eligible for the exemption under subsection
7 (1).

8 (3) As used in this section:

9 (a) "Certified technology park" means that term as defined in
10 section 2 of the local development financing act, 1986 PA 281,
11 MCL 125.2152.

1 (b) "High-technology activity" means 1 or more of the
2 following:

3 (i) Advanced computing, which is any technology used in the
4 design and development of any of the following:

5 (A) Computer hardware and software.

6 (B) Data communications.

7 (C) Information technologies.

8 (ii) Advanced materials, which are materials with engineered
9 properties created through the development of specialized process
10 and synthesis technology.

11 (iii) Biotechnology, which is any technology that uses living
12 organisms, cells, macromolecules, microorganisms, or substances
13 from living organisms to make or modify a product, improve plants
14 or animals, or develop microorganisms for useful purposes.
15 Biotechnology does not include human cloning as defined in
16 section 16274 of the public health code, 1978 PA 368, MCL
17 333.16274, or stem cell research with embryonic tissue.

18 (iv) Electronic device technology, which is any technology
19 that involves microelectronics, semiconductors, electronic
20 equipment, and instrumentation, radio frequency, microwave, and
21 millimeter electronics, and optical and optic-electrical devices,
22 or data and digital communications and imaging devices.

23 (v) Engineering or laboratory testing related to the
24 development of a product.

25 (vi) Technology that assists in the assessment or prevention
26 of threats or damage to human health or the environment,
27 including, but not limited to, environmental cleanup technology,

1 pollution prevention technology, or development of alternative
2 energy sources.

3 (vii) Medical device technology, which is any technology that
4 involves medical equipment or products other than a
5 pharmaceutical product that has therapeutic or diagnostic value
6 and is regulated.

7 (viii) Life science technology, which is any technology that
8 has a medical diagnostic or treatment value, including, but not
9 limited to, pharmaceutical products.

10 (ix) Product research and development.

11 (c) "Innovations center" means real property that meets all
12 of the following conditions:

13 (i) Is a business incubator as that term is defined in
14 section 2 of the local development financing act, 1986 PA 281,
15 MCL 125.2152.

16 (ii) Is located within a single building.

17 (iii) Is primarily used to provide space and administrative
18 assistance to 1 or more qualified high-technology businesses
19 located within the building.

20 (d) "Qualified high-technology business" means a business
21 that is either of the following:

22 (i) A business with not less than 25% of the total operating
23 expenses of the business used for research and development as
24 determined under generally accepted accounting principles.

25 (ii) A business whose primary business activity is
26 high-technology activity.