

SUBSTITUTE FOR
HOUSE BILL NO. 5824

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.157) by adding section 9j.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 9j. (1) Personal property in an innovations center
2 that is located in a certified technology park and that is owned
3 or used by the administration of the innovations center or by a
4 qualified high-technology business is exempt from the collection
5 of taxes under this act.
- 6 (2) As used in this section:
- 7 (a) "Certified technology park" means that term as defined in
8 section 2 of the local development financing act, 1986 PA 281,
9 MCL 125.2152.
- 10 (b) "High-technology activity" means 1 or more of the
11 following:

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

3 (A) Computer hardware and software.

4 (B) Data communications.

5 (C) Information technologies.

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

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

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

21 (v) Engineering or laboratory testing related to the
22 development of a product.

23 (vi) Technology that assists in the assessment or prevention
24 of threats or damage to human health or the environment,
25 including, but not limited to, environmental cleanup technology,
26 pollution prevention technology, or development of alternative
27 energy sources.

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

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

8 (ix) Product research and development.

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

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

14 (ii) Is located within a single building.

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

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

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

23 (ii) A business whose primary business activity is
24 high-technology activity.