

# SENATE BILL No. 298

March 18, 2003, Introduced by Senators JELINEK, ALLEN, VAN WOERKOM,  
GOSCHKA, HARDIMAN and BROWN and referred to the Committee on Finance.

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 **or an eligible power**  
5 **generating facility** located in 1 or more eligible districts  
6 designated in the resolution. The clerk of the eligible local  
7 assessing district shall notify in writing the assessor of the  
8 local tax collecting unit in which the eligible district **or**  
9 **eligible power generating facility** is located and the legislative  
10 body of each taxing unit that levies ad valorem property taxes in  
11 the eligible local assessing district in which the eligible

1 district **or eligible power generating facility** is located.  
2 Before acting on the resolution, the governing body of the  
3 eligible local assessing district shall afford the assessor and a  
4 representative of the affected taxing units an opportunity for a  
5 hearing.

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

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

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

1       (a) The exemption shall be continued for the term authorized  
2 by the resolution adopted by the governing body of the eligible  
3 local assessing district and approved by the state tax commission  
4 with respect to buildings and improvements constructed on leased  
5 real property during the term of the exemption if the value of  
6 the real property is not assessed to the owner of the buildings  
7 and improvements.

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

13       (5) As used in this section:

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

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

27       (i) An industrial development district as that term is

1 defined in 1974 PA 198, MCL 207.551 to 207.572.

2 (ii) A renaissance zone as that term is defined in the  
3 Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to  
4 125.2696.

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

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

10 (v) An empowerment zone designated under subchapter U of  
11 chapter 1 of the internal revenue code of 1986, 26 U.S.C. 1391 to  
12 1397C and 1397E to 1397F.

13 (vi) An authority district or a development area as those  
14 terms are defined in the tax increment finance authority act,  
15 1980 PA 450, MCL 125.1801 to 125.1830.

16 (vii) An authority district as that term is defined in the  
17 local development financing act, 1986 PA 281, MCL 125.2151 to  
18 125.2174.

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

21 (c) "Eligible distressed area" means that term as defined in  
22 section 11 of the state housing development authority act of  
23 1966, 1966 PA 346, MCL 125.1411.

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

26 (e) "Eligible power generating facility" means 1 or more of  
27 the following:

1       (i) A new electric generating facility that meets all of the  
2 following conditions:

3       (A) The governing body of the eligible local assessing  
4 district approved a development site plan for the electric  
5 generating facility on or after August 1, 2001.

6       (B) The electric generating facility will replace an existing  
7 electric generating facility and will result in the reduced  
8 emission of air contaminants. As used in this sub-subparagraph,  
9 "air contaminants" and "emission" mean those terms as defined in  
10 section 5501 of the natural resources and environmental  
11 protection act, 1994 PA 451, MCL 324.5501.

12       (ii) An existing electric generating facility that is  
13 modified or converted to reduce the emission of air  
14 contaminants. As used in this subparagraph, "air contaminants"  
15 and "emission" mean those terms as defined in section 5501 of the  
16 natural resources and environmental protection act, 1994 PA 451,  
17 MCL 324.5501.

18       (f) ~~-(e)-~~ "New personal property" means ~~personal~~ 1 or more  
19 of the following:

20       (i) **Personal** property that was not previously subject to tax  
21 under this act and that is placed in an eligible district after a  
22 resolution under subsection (1) is approved by the eligible local  
23 assessing district. As used in this ~~subdivision~~ **subparagraph**,  
24 for exemptions approved by the state tax commission under  
25 subsection (3) after April 30, 1999, new personal property does  
26 not include buildings described in section 14(6) and personal  
27 property described in section 8(h), (i), and (j).

1       (ii) Gas turbines and improvements to real property if all of  
2 the following conditions apply:

3       (A) The gas turbines and the improvements to real property  
4 are located on real property that is not owned by the owner of  
5 the gas turbines or the improvements to the real property.

6       (B) The gas turbines and the improvements to real property  
7 are part of an eligible power generating facility.