

SENATE BILL No. 1127

March 25, 2004, Introduced by Senators JELINEK and SWITALSKI and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 6b (MCL 211.6b).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6b. Mineral rights consisting of metallic resources
2 ~~which that~~ are not developed, ~~or which that~~ are not in
3 production, or ~~which that~~ have not been explored ~~shall be~~
4 ~~assessed separately from the surface rights in the property in~~
5 ~~which the same are situated if such~~ **are exempt from the**
6 **collection of taxes under this act if the** mineral rights and
7 surface rights are owned by separate owners. ~~—:—Provided,~~
8 ~~however, That such mineral rights which are owned by or leased to~~
9 ~~any person, corporation (or wholly owned subsidiary thereof) or~~
10 ~~copartnership engaged in the business of and actually extracting,~~
11 ~~producing or processing such minerals in the state of Michigan~~

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~~1 shall be excluded from the provisions of this section:— Provided,
2 further, That such mineral rights which are owned by any person,
3 corporation or copartnership shall also be excluded from the
4 provisions of this section whenever such person, corporation or
5 copartnership is the recipient or purchaser of metallic mineral
6 ores which have been extracted, produced or processed by or
7 through contractual arrangements or undertakings with a person,
8 corporation or copartnership who is engaged in the business of
9 and who is actually extracting, producing or processing such
10 minerals in the state of Michigan.~~

~~11 ——— The ownership of metallic mineral rights separate from the
12 surface rights in land shall be prima facie evidence of the
13 presence and existence of metallic mineral resources in such land
14 and that such metallic mineral rights have a prima facie true
15 cash value of \$5.00 per acre. The term "property", "land" and
16 "parcel" as used in this act shall refer to and include mineral
17 rights or surface rights separately assessed under this section:
18 Provided, however, That the fact that such rights are separately
19 assessed in the case of common ownership of the same shall not
20 invalidate such assessment or any proceedings had in regard
21 thereto under this act nor shall the same constitute grounds for
22 rejecting the assessment or the taxes levied pursuant thereto.
23 The first assessment under the provisions of this section shall
24 be made the second calendar year immediately following the year
25 in which this section becomes effective. On or before December
26 31, 1967 owners of surface rights and of mineral rights whose
27 respective rights are subject to separate assessment as herein~~

~~1 provided shall file with the assessing officer of the township,
2 village or city in which the land containing such separate
3 surface or mineral rights is situated an affidavit containing an
4 accurate description of each parcel of land in which such
5 separate surface or mineral rights is contained, with the number
6 of acres contained therein, and a statement of their surface or
7 mineral rights therein.~~

8 **(2) Mineral rights exempt under subsection (1) are subject**
9 **to the specific tax levied under the severed mineral rights**
10 **specific tax act.**