

HOUSE BILL No. 6329

August 9, 2006, Introduced by Reps. Angerer, Alma Smith, Polidori, Tobocman, Hood, Kolb, Sheltroun, Hunter, Espinoza, Mayes, Vagnozzi, Zelenko, Clack, Kathleen Law, Cushingberry, Plakas, Accavitti, Condino, Bennett, Bieda, Leland, Lemmons, Jr., McDowell, Byrum, Gillard, Murphy, Meisner and Lemmons, III and referred to the Committee on Commerce.

A bill to amend 1974 PA 198, entitled

"An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,"

by amending sections 5 and 22 (MCL 207.555 and 207.572), section 5 as amended by 1996 PA 323 and section 22 as amended by 1994 PA 266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) After the establishment of a district, the owner
2 or lessee of a facility may file an application for an industrial
3 facilities exemption certificate with the clerk of the local

1 governmental unit that established the plant rehabilitation
2 district or industrial development district. The application shall
3 be filed in the manner and form prescribed by the commission. The
4 application shall contain or be accompanied by a general
5 description of the facility and a general description of the
6 proposed use of the facility, the general nature and extent of the
7 restoration, replacement, or construction to be undertaken, a
8 descriptive list of the equipment that will be a part of the
9 facility, a time schedule for undertaking and completing the
10 restoration, replacement, or construction of the facility, and
11 information relating to the requirements in section 9.

12 (2) Upon receipt of an application for an industrial
13 facilities exemption certificate, the clerk of the local
14 governmental unit shall notify in writing the assessor of the
15 assessing unit in which the facility is located or to be located,
16 and the legislative body of each taxing unit that levies ad valorem
17 property taxes in the local governmental unit in which the facility
18 is located or to be located. Before acting upon the application,
19 the legislative body of the local governmental unit shall afford
20 the applicant, the assessor, and a representative of the affected
21 taxing units an opportunity for a hearing.

22 (3) The local governmental unit may charge the applicant an
23 application fee to process an application for an industrial
24 facilities exemption certificate. The application fee shall not
25 exceed the actual cost incurred by the local governmental unit in
26 processing the application or 2% of the total property taxes abated
27 under this act for the term that the industrial facilities

1 exemption certificate is in effect, whichever is less. A local
2 governmental unit shall not charge an applicant any other fee under
3 this act.

4 (4) BEGINNING JANUARY 1, 2006, THE OWNER OR LESSEE OF A
5 FACILITY WHO HAS BEEN FOUND GUILTY OF A CRIMINAL VIOLATION OR FOUND
6 RESPONSIBLE FOR A CIVIL VIOLATION UNDER 29 USC 1131 OR 1132 IN THE
7 IMMEDIATELY PRECEDING 10 YEARS FROM THE DATE OF APPLICATION IS NOT
8 ELIGIBLE FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE UNDER
9 THIS ACT.

10 Sec. 22. (1) A new industrial facilities exemption certificate
11 shall not be approved and issued under this act after April 1,
12 1994, unless a written agreement is entered into between the local
13 governmental unit and the person to whom the certificate is to be
14 issued, and filed with the department of treasury.

15 (2) BEGINNING JANUARY 1, 2006, ALL WRITTEN AGREEMENTS
16 DESCRIBED IN SUBSECTION (1) SHALL CONTAIN A PROVISION REQUIRING THE
17 PAYMENT OF A PENALTY IF THE PERSON TO WHOM THE CERTIFICATE IS
18 ISSUED IS FOUND GUILTY OF A CRIMINAL VIOLATION OR FOUND RESPONSIBLE
19 FOR A CIVIL VIOLATION UNDER 29 USC 1131 OR 1132. THE PENALTY IS
20 EQUAL TO THE DIFFERENCE BETWEEN THE INDUSTRIAL FACILITY TAX AND THE
21 GENERAL AD VALOREM TAXES THAT WOULD HAVE BEEN LEVIED IF THE
22 CERTIFICATE WAS NOT GRANTED FOR EACH YEAR THE CERTIFICATE WAS IN
23 EFFECT.