



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5678 (Substitute H-1 as reported without amendment)

Sponsor: Representative Kevin Elsenheimer

House Committee: Agriculture

Senate Committee: Agriculture

CONTENT

The bill would amend the General Property Tax Act to include within the definition of "agricultural operations" collecting, evaporating, and preparing maple syrup, if the owner of the property has \$25,000 or less in annual gross wholesale sales.

Personal property used in agricultural operations is exempt from taxation under the Act.

MCL 211.9

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bills would reduce State and local property tax revenue and increase State School Aid Fund expenditures by an unknown amount, depending upon the specific characteristics of the property affected by the bill. Broadening the personal property tax exemption would reduce State education tax revenue, property taxes for school operating purposes, and other property tax to local units. School Aid Fund expenditures would need to be increased to offset the reduction in local school operating taxes from the provision.

Date Completed: 12-4-08

Fiscal Analyst: David Zin