

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 757

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 2, 9, and 14 (MCL 207.552, 207.559, and 207.564), section 2 as amended by 2007 PA 12, section 9 as amended by 2006 PA 436, and section 14 as amended by 2007 PA 39.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) "Commission" means the state tax commission
2 created by 1927 PA 360, MCL 209.101 to 209.107.

1 (2) "Facility" means either a replacement facility, a new
2 facility, or, if applicable by its usage, a speculative building.

3 (3) "Replacement facility" means 1 of the following:

4 (a) In the case of a replacement or restoration that occurs on
5 the same or contiguous land as that which is replaced or restored,
6 industrial property that is or is to be acquired, constructed,
7 altered, or installed for the purpose of replacement or restoration
8 of obsolete industrial property together with any part of the old
9 altered property that remains for use as industrial property after
10 the replacement, restoration, or alteration.

11 (b) In the case of construction on vacant noncontiguous land,
12 property that is or will be used as industrial property that is or
13 is to be acquired, constructed, transferred, or installed for the
14 purpose of being substituted for obsolete industrial property if
15 the obsolete industrial property is situated in a plant
16 rehabilitation district in the same city, village, or township as
17 the land on which the facility is or is to be constructed and
18 includes the obsolete industrial property itself until the time as
19 the substituted facility is completed.

20 (4) "New facility" means new industrial property other than a
21 replacement facility to be built in a plant rehabilitation district
22 or industrial development district.

23 (5) "Local governmental unit" means a city, village, or
24 township located in this state.

25 (6) "Industrial property" means land improvements, buildings,
26 structures, and other real property, and machinery, equipment,
27 furniture, and fixtures or any part or accessory whether completed

1 or in the process of construction comprising an integrated whole,
2 the primary purpose and use of which is the engaging in a high-
3 technology activity, operation of a strategic response center,
4 operation of a motorsports entertainment complex, operation of a
5 logistical optimization center, operation of qualified commercial
6 activity, the manufacture of goods or materials, creation or
7 synthesis of biodiesel fuel, or the processing of goods and
8 materials by physical or chemical change; property acquired,
9 constructed, altered, or installed due to the passage of proposal A
10 in 1976; the operation of a hydro-electric dam by a private company
11 other than a public utility; or agricultural processing facilities.
12 Industrial property includes facilities related to a manufacturing
13 operation under the same ownership, including, but not limited to,
14 office, engineering, research and development, warehousing, or
15 parts distribution facilities. Industrial property also includes
16 research and development laboratories of companies other than those
17 companies that manufacture the products developed from their
18 research activities and research development laboratories of a
19 manufacturing company that are unrelated to the products of the
20 company. For applications approved by the legislative body of a
21 local governmental unit between June 30, 1999 and December 31,
22 2007, industrial property also includes an electric generating
23 plant that is not owned by a local unit of government, including,
24 but not limited to, an electric generating plant fueled by biomass.
25 Industrial property also includes convention and trade centers over
26 250,000 square feet in size. Industrial property also includes a
27 federal reserve bank operating under 12 USC 341, located in a city

1 with a population of 750,000 or more. Industrial property may be
2 owned or leased. However, in the case of leased property, the
3 lessee is liable for payment of ad valorem property taxes and shall
4 furnish proof of that liability. Industrial property does not
5 include any of the following:

6 (a) Land.

7 (b) Property of a public utility other than an electric
8 generating plant that is not owned by a local unit of government
9 and for which an application was approved by the legislative body
10 of a local governmental unit between June 30, 1999 and December 31,
11 2007.

12 (c) Inventory.

13 (7) "Obsolete industrial property" means industrial property
14 the condition of which is substantially less than an economically
15 efficient functional condition.

16 (8) "Economically efficient functional condition" means a
17 state or condition of property the desirability and usefulness of
18 which is not impaired due to changes in design, construction,
19 technology, or improved production processes, or from external
20 influencing factors ~~which~~ **THAT** make the property less desirable and
21 valuable for continued use.

22 (9) "Research and development laboratories" means building and
23 structures, including the machinery, equipment, furniture, and
24 fixtures located in the building or structure, used or to be used
25 for research or experimental purposes that would be considered
26 qualified research as that term is used in section 41 of the
27 internal revenue code, 26 USC 41, except that qualified research

1 also includes qualified research funded by grant, contract, or
2 otherwise by another person or governmental entity.

3 (10) "Manufacture of goods or materials" or "processing of
4 goods or materials" means any type of operation that would be
5 conducted by an entity included in the classifications provided by
6 sector 31-33 – manufacturing, of the North American industry
7 classification system, United States, 1997, published by the office
8 of management and budget, regardless of whether the entity
9 conducting that operation is included in that manual.

10 (11) "High-technology activity" means that term as defined in
11 section 3 of the Michigan economic growth authority act, 1995 PA
12 24, MCL 207.803.

13 (12) "Logistical optimization center" means a sorting and
14 distribution center that supports a private passenger motor vehicle
15 assembly center and its manufacturing process for the purpose of
16 optimizing transportation, just-in-time inventory management, and
17 material handling, and to which all of the following apply:

18 (a) The sorting and distribution center is within 2 miles of a
19 private passenger motor vehicle assembly center that, together with
20 supporting facilities, contains at least 800,000 square feet.

21 (b) The sorting and distribution center contains at least
22 950,000 square feet.

23 (c) The sorting and distribution center has applied for an
24 industrial facilities exemption certificate after June 30, 2005 and
25 before January 1, 2006.

26 (d) The private passenger motor vehicle assembly center is
27 located on land conditionally transferred by a township with a

1 population of more than 25,000 under 1984 PA 425, MCL 124.21 to
2 124.30, to a city with a population of more than 100,000 that
3 levies an income tax under the city income tax act, 1964 PA 284,
4 MCL 141.501 to 141.787.

5 (13) "Commercial property" means that term as defined in
6 section 2 of the obsolete property rehabilitation act, 2000 PA 146,
7 MCL 125.2782.

8 (14) "Qualified commercial activity" means commercial property
9 that meets all of the following:

10 (a) An application for an exemption certificate approved by
11 the local governmental unit is filed for approval by the state tax
12 commission not later than April 30, 2006.

13 (b) At least 90% of the property, excluding the surrounding
14 green space, is used for warehousing, distribution, and logistics
15 purposes that provide food for institutional, restaurant, hospital,
16 or hotel customers.

17 (c) Is located within a village and is within 15 miles of a
18 Michigan state border.

19 (d) Occupies 1 or more buildings or structures that together
20 are greater than 300,000 square feet in size.

21 (15) "Motorsports entertainment complex" means a closed-course
22 motorsports facility, and its ancillary grounds and facilities,
23 that satisfies all of the following:

24 (a) Has at least 70,000 fixed seats for race patrons.

25 (b) Has at least 6 scheduled days of motorsports events each
26 calendar year, at least 2 of which shall be comparable to nascar
27 nextel cup events held in 2007 or their successor events.

1 (c) Serves food and beverages at the facility during
2 sanctioned events each calendar year through concession outlets, a
3 majority of which are staffed by individuals who represent or are
4 members of 1 or more nonprofit civic or charitable organizations
5 that directly financially benefit from the concession outlets'
6 sales.

7 (d) Engages in tourism promotion.

8 (e) Has permanent exhibitions of motorsports history, events,
9 or vehicles.

10 Sec. 9. (1) The legislative body of the local governmental
11 unit, in its resolution approving an application, shall set forth a
12 finding and determination that the granting of the industrial
13 facilities exemption certificate, considered together with the
14 aggregate amount of industrial facilities exemption certificates
15 previously granted and currently in force, shall not have the
16 effect of substantially impeding the operation of the local
17 governmental unit or impairing the financial soundness of a taxing
18 unit that levies an ad valorem property tax in the local
19 governmental unit in which the facility is located or to be
20 located. If the state equalized valuation of property proposed to
21 be exempt pursuant to an application under consideration,
22 considered together with the aggregate state equalized valuation of
23 property exempt under certificates previously granted and currently
24 in force, exceeds 5% of the state equalized valuation of the local
25 governmental unit, the commission, with the approval of the state
26 treasurer, shall make a separate finding and shall include a
27 statement in the order approving the industrial facilities

1 exemption certificate that exceeding that amount shall not have the
2 effect of substantially impeding the operation of the local
3 governmental unit or impairing the financial soundness of an
4 affected taxing unit.

5 (2) Except for an application for a speculative building,
6 which is governed by subsection (4), the legislative body of the
7 local governmental unit shall not approve an application and the
8 commission shall not grant an industrial facilities exemption
9 certificate unless the applicant complies with all of the following
10 requirements:

11 (a) The commencement of the restoration, replacement, or
12 construction of the facility occurred not earlier than 12 months
13 before the filing of the application for the industrial facilities
14 exemption certificate. If the application is not filed within the
15 12-month period, the application may be filed within the succeeding
16 12-month period and the industrial facilities exemption certificate
17 shall in this case expire 1 year earlier than it would have expired
18 if the application had been timely filed. This subdivision does not
19 apply for applications filed with the local governmental unit after
20 December 31, 1983.

21 (b) For applications made after December 31, 1983, the
22 proposed facility shall be located within a plant rehabilitation
23 district or industrial development district that was duly
24 established in a local governmental unit eligible under this act to
25 establish a district and that was established upon a request filed
26 or by the local governmental unit's own initiative taken before the
27 commencement of the restoration, replacement, or construction of

1 the facility.

2 (c) For applications made after December 31, 1983, the
3 commencement of the restoration, replacement, or construction of
4 the facility occurred not earlier than 6 months before the filing
5 of the application for the industrial facilities exemption
6 certificate.

7 (d) The application relates to a construction, restoration, or
8 replacement program that when completed constitutes a new or
9 replacement facility within the meaning of this act and that shall
10 be situated within a plant rehabilitation district or industrial
11 development district duly established in a local governmental unit
12 eligible under this act to establish the district.

13 (e) Completion of the facility is calculated to, and will at
14 the time of issuance of the certificate have the reasonable
15 likelihood to create employment, retain employment, prevent a loss
16 of employment, or produce energy in the community in which the
17 facility is situated.

18 (f) Completion of the facility does not constitute merely the
19 addition of machinery and equipment for the purpose of increasing
20 productive capacity but rather is primarily for the purpose and
21 will primarily have the effect of restoration, replacement, or
22 updating the technology of obsolete industrial property. An
23 increase in productive capacity, even though significant, is not an
24 impediment to the issuance of an industrial facilities exemption
25 certificate if other criteria in this section and act are met. This
26 subdivision does not apply to a new facility.

27 (g) The provisions of subdivision (c) do not apply to a new

1 facility located in an existing industrial development district
2 owned by a person who filed an application for an industrial
3 facilities exemption certificate in April of 1992 if the
4 application was approved by the local governing body and was denied
5 by the state tax commission in April of 1993.

6 (h) The provisions of subdivisions (b) and (c) and section
7 4(3) do not apply to 1 or more of the following:

8 (i) A facility located in an industrial development district
9 owned by a person who filed an application for an industrial
10 facilities exemption certificate in October 1995 for construction
11 that was commenced in July 1992 in a district that was established
12 by the legislative body of the local governmental unit in July
13 1994. An industrial facilities exemption certificate described in
14 this subparagraph shall expire as provided in section 16(3).

15 (ii) A facility located in an industrial development district
16 that was established in January 1994 and was owned by a person who
17 filed an application for an industrial facilities exemption
18 certificate in February 1994 if the personal property and real
19 property portions of the application were approved by the
20 legislative body of the local governmental unit and the personal
21 property portion of the application was approved by the state tax
22 commission in December 1994 and the real property portion of the
23 application was denied by the state tax commission in December
24 1994. An industrial facilities exemption certificate described in
25 this subparagraph shall expire as provided in section 16(3).

26 (iii) A facility located in an industrial development district
27 that was established in December 1995 and was owned by a person who

1 filed an application for an industrial facilities exemptions
2 certificate in November or December 1995 for construction that was
3 commenced in September 1995.

4 (iv) A facility located in an industrial development district
5 owned by a person who filed an application for an industrial
6 facilities exemption certificate in July 2001 for construction that
7 was commenced in February 2001 in a district that was established
8 by the legislative body of the local governmental unit in September
9 2001. An industrial facilities exemption certificate described in
10 this subparagraph shall expire as provided in section 16. The
11 facility described in this subparagraph shall be taxed under this
12 act as if it was granted an industrial facilities exemption
13 certificate in October 2001, and a corrected tax bill shall be
14 issued by the local tax collecting unit if the local tax collecting
15 unit has possession of the tax roll or by the county treasurer if
16 the county has possession of the tax roll. If granting the
17 industrial facilities exemption certificate under this subparagraph
18 results in an overpayment of the tax, a rebate, including any
19 interest and penalties paid, shall be made to the taxpayer by the
20 local tax collecting unit if the local tax collecting unit has
21 possession of the tax roll or by the county treasurer if the county
22 has possession of the tax roll within 30 days of the date the
23 exemption is granted. The rebate shall be without interest.

24 (v) A facility located in an industrial development district
25 owned by a person who filed an application for an industrial
26 facilities exemption certificate in December 2005 for construction
27 that was commenced in September 2005 in a district that was

1 established by the legislative body of the local governmental unit
2 in December 2005. An industrial facilities exemption certificate
3 described in this subparagraph shall expire as provided in section
4 16.

5 (vi) A FACILITY LOCATED IN AN EXISTING INDUSTRIAL DEVELOPMENT
6 DISTRICT OWNED BY A PERSON WHO FILED OR AMENDED AN APPLICATION FOR
7 AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR REAL PROPERTY IN
8 JULY 2006 IF THE APPLICATION WAS APPROVED BY THE LEGISLATIVE BODY
9 OF THE LOCAL GOVERNMENTAL UNIT IN SEPTEMBER 2006 BUT NOT SUBMITTED
10 TO THE STATE TAX COMMISSION UNTIL SEPTEMBER 2006.

11 (vii) A NEW FACILITY LOCATED IN AN EXISTING INDUSTRIAL
12 DEVELOPMENT DISTRICT OWNED BY A PERSON WHO FILED OR AMENDED AN
13 APPLICATION FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR
14 PERSONAL PROPERTY IN JUNE 2006 IF THE APPLICATION WAS APPROVED BY
15 THE LEGISLATIVE BODY OF THE LOCAL GOVERNMENTAL UNIT IN AUGUST 2006
16 BUT NOT SUBMITTED TO THE STATE TAX COMMISSION UNTIL 2007. THE
17 EFFECTIVE DATE OF THE CERTIFICATE SHALL BE DECEMBER 31, 2006.

18 (viii) A NEW FACILITY LOCATED IN AN INDUSTRIAL DEVELOPMENT
19 DISTRICT THAT WAS ESTABLISHED BY THE LEGISLATIVE BODY OF THE LOCAL
20 GOVERNMENTAL UNIT IN SEPTEMBER OF 2007 FOR CONSTRUCTION THAT WAS
21 COMMENCED IN MARCH 2007 AND FOR WHICH AN APPLICATION FOR AN
22 INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE WAS FILED IN SEPTEMBER
23 OF 2007.

24 (ix) A FACILITY LOCATED IN AN INDUSTRIAL DEVELOPMENT DISTRICT
25 THAT WAS ESTABLISHED BY THE LEGISLATIVE BODY OF THE LOCAL
26 GOVERNMENTAL UNIT IN AUGUST 2007 AND WAS OWNED BY A PERSON WHO
27 FILED AN APPLICATION FOR AN INDUSTRIAL FACILITIES EXEMPTION

1 **CERTIFICATE IN JUNE 2007 FOR EQUIPMENT THAT WAS PURCHASED IN**
2 **JANUARY 2007.**

3 (i) The provisions of subdivision (c) do not apply to any of
4 the following:

5 (i) A new facility located in an existing industrial
6 development district owned by a person who filed an application for
7 an industrial facilities exemption certificate in October 1993 if
8 the application was approved by the legislative body of the local
9 governmental unit and the real property portion of the application
10 was denied by the state tax commission in December 1993.

11 (ii) A new facility located in an existing industrial
12 development district owned by a person who filed an application for
13 an industrial facilities exemption certificate in September 1993 if
14 the personal property portion of the application was approved by
15 the legislative body of the local governmental unit and the real
16 property portion of the application was denied by the legislative
17 body of the local governmental unit in October 1993 and
18 subsequently approved by the legislative body of the local
19 governmental unit in September 1994.

20 (iii) A facility located in an existing industrial development
21 district owned by a person who filed an application for an
22 industrial facilities exemption certificate in August 1993 if the
23 application was approved by the local governmental unit in
24 September 1993 and the application was denied by the state tax
25 commission in December 1993.

26 (iv) A facility located in an existing industrial development
27 district occupied by a person who filed an application for an

1 industrial facilities exemption certificate in June of 1995 if the
2 application was approved by the legislative body of the local
3 governmental unit in October of 1995 for construction that was
4 commenced in November or December of 1994.

5 (v) A facility located in an existing industrial development
6 district owned by a person who filed an application for an
7 industrial facilities exemption certificate in June of 1995 if the
8 application was approved by the legislative body of the local
9 governmental unit in July of 1995 and the personal property portion
10 of the application was approved by the state tax commission in
11 November of 1995.

12 (j) If the facility is locating in a plant rehabilitation
13 district or an industrial development district from another
14 location in this state, the owner of the facility is not delinquent
15 in any of the taxes described in section 10(1)(a) of the Michigan
16 renaissance zone act, 1996 PA 376, MCL 125.2690, or substantially
17 delinquent in any of the taxes described in and as provided under
18 section 10(1)(b) of the Michigan renaissance zone act, 1996 PA 376,
19 MCL 125.2690.

20 (3) If the replacement facility when completed will not be
21 located on the same premises or contiguous premises as the obsolete
22 industrial property, then the applicant shall make provision for
23 the obsolete industrial property by demolition, sale, or transfer
24 to another person with the effect that the obsolete industrial
25 property shall within a reasonable time again be subject to
26 assessment and taxation under the general property tax act, 1893 PA
27 206, MCL 211.1 to 211.157, or be used in a manner consistent with

1 the general purposes of this act, subject to approval of the
2 commission.

3 (4) The legislative body of the local governmental unit shall
4 not approve an application and the commission shall not grant an
5 industrial facilities exemption certificate that applies to a
6 speculative building unless the speculative building is or is to be
7 located in a plant rehabilitation district or industrial
8 development district duly established by a local governmental unit
9 eligible under this act to establish a district; the speculative
10 building was constructed less than 9 years before the filing of the
11 application for the industrial facilities exemption certificate;
12 the speculative building has not been occupied since completion of
13 construction; and the speculative building otherwise qualifies
14 under subsection (2)(e) for an industrial facilities exemption
15 certificate. An industrial facilities exemption certificate granted
16 under this subsection shall expire as provided in section 16(3).

17 (5) Not later than September 1, 1989, the commission shall
18 provide to all local assessing units the name, address, and
19 telephone number of the person on the commission staff responsible
20 for providing procedural information concerning this act. After
21 October 1, 1989, a local unit of government shall notify each
22 prospective applicant of this information in writing.

23 (6) Notwithstanding any other provision of this act, if on
24 December 29, 1986 a local governmental unit passed a resolution
25 approving an exemption certificate for 10 years for real and
26 personal property but the commission did not receive the
27 application until 1992 and the application was not made complete

1 until 1995, then the commission shall issue, for that property, an
2 industrial facilities exemption certificate that begins December
3 30, 1987 and ends December 30, 1997. The facility described in this
4 subsection shall be taxed under this act as if it was granted an
5 industrial facilities exemption certificate on December 30, 1987.

6 (7) Notwithstanding any other provision of this act, if a
7 local governmental unit passed a resolution approving an industrial
8 facilities exemption certificate for a new facility on July 8, 1991
9 but rescinded that resolution and passed a resolution approving an
10 industrial facilities exemption certificate for that same facility
11 as a replacement facility on October 21, 1996, the commission shall
12 issue for that property an industrial facilities exemption
13 certificate that begins December 30, 1991 and ends December 2003.
14 The replacement facility described in this subsection shall be
15 taxed under this act as if it was granted an industrial facilities
16 exemption certificate on December 30, 1991.

17 (8) Property owned or operated by a casino is not industrial
18 property or otherwise eligible for an abatement or reduction of ad
19 valorem property taxes under this act. As used in this subsection,
20 "casino" means a casino or a parking lot, hotel, motel, convention
21 and trade center, or retail store owned or operated by a casino, an
22 affiliate, or an affiliated company, regulated by this state
23 pursuant to the Michigan gaming control and revenue act, ~~the~~
24 ~~Initiated Law of 1996-1996 IL 1~~, MCL 432.201 to 432.226.

25 (9) Notwithstanding section 16a and any other provision of
26 this act, if a local governmental unit passed a resolution
27 approving an industrial facilities exemption certificate for a new

1 facility on October 28, 1996 for a certificate that expired in
2 December 2003 and the local governmental unit passes a resolution
3 approving the extension of the certificate after December 2003 and
4 before March 1, 2006, the commission shall issue for that property
5 an industrial facilities exemption certificate that begins on
6 December 30, 2005 and ends December 30, 2010 as long as the
7 property continues to qualify under this act.

8 (10) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, IF THE
9 COMMISSION ISSUED AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
10 FOR A NEW FACILITY ON DECEMBER 8, 1998 BUT REVOKED THAT INDUSTRIAL
11 FACILITIES EXEMPTION CERTIFICATE FOR THAT SAME FACILITY EFFECTIVE
12 DECEMBER 30, 2006 AND THAT NEW FACILITY IS PURCHASED BY A BUYER ON
13 OR BEFORE NOVEMBER 1, 2007, THE COMMISSION SHALL ISSUE FOR THAT
14 PROPERTY AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE THAT BEGINS
15 DECEMBER 31, 1998 AND ENDS DECEMBER 30, 2010 AND SHALL TRANSFER
16 THAT INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE TO THE BUYER. THE
17 NEW FACILITY DESCRIBED IN THIS SUBSECTION SHALL BE TAXED UNDER THIS
18 ACT AS IF IT WAS GRANTED AN INDUSTRIAL FACILITIES EXEMPTION
19 CERTIFICATE EFFECTIVE ON DECEMBER 31, 1998.

20 Sec. 14. (1) The amount of the industrial facility tax, in
21 each year for a replacement facility, shall be determined by
22 multiplying the total mills levied as ad valorem taxes for that
23 year by all taxing units within which the facility is situated by
24 the taxable value of the real and personal property of the obsolete
25 industrial property for the tax year immediately preceding the
26 effective date of the industrial facilities exemption certificate
27 after deducting the taxable value of the land and of the inventory

1 as specified in section 19.

2 (2) The amount of the industrial facility tax, in each year
3 for a new facility or a speculative building for which an
4 industrial facilities exemption certificate became effective before
5 January 1, 1994, shall be determined by multiplying the taxable
6 value of the facility excluding the land and the inventory personal
7 property by the sum of 1/2 of the total mills levied as ad valorem
8 taxes for that year by all taxing units within which the facility
9 is located other than mills levied for school operating purposes by
10 a local school district within which the facility is located or
11 mills levied under the state education tax act, 1993 PA 331, MCL
12 211.901 to 211.906, plus 1/2 of the number of mills levied for
13 local school district operating purposes in 1993.

14 (3) Except as provided in subsection (4), the amount of the
15 industrial facility tax in each year for a new facility or a
16 speculative building for which an industrial facilities exemption
17 certificate becomes effective after December 31, 1993, shall be
18 determined by multiplying the taxable value of the facility
19 excluding the land and the inventory personal property by the sum
20 of 1/2 of the total mills levied as ad valorem taxes for that year
21 by all taxing units within which the facility is located other than
22 mills levied under the state education tax act, 1993 PA 331, MCL
23 211.901 to 211.906, plus, subject to section 14a, the number of
24 mills levied under the state education tax act, 1993 PA 331, MCL
25 211.901 to 211.906.

26 (4) For taxes levied after December 31, 2007, for the personal
27 property tax component of an industrial facilities exemption

1 certificate for a new facility or a speculative building that is
2 sited on real property classified as industrial ~~personal~~ **REAL**
3 property under section 34c of the general property tax act, 1893 PA
4 206, MCL 211.34c, the amount of the industrial facility tax in each
5 year for a new facility or a speculative building shall be
6 determined by multiplying the taxable value of the facility
7 excluding the land and the inventory personal property by the sum
8 of 1/2 of the total mills levied as ad valorem taxes for that year
9 by all taxing units within which the facility is located other than
10 mills levied under the state education tax act, 1993 PA 331, MCL
11 211.901 to 211.906, and the number of mills from which the property
12 is exempt under section 1211(1) of the revised school code, 1976 PA
13 451, MCL 380.1211.

14 (5) For a termination or revocation of only the real property
15 component, or only the personal property component, of an
16 industrial facilities exemption certificate as provided in this
17 act, the valuation and the tax determined using that valuation
18 shall be reduced proportionately to reflect the exclusion of the
19 component with respect to which the termination or revocation has
20 occurred.