HOUSE BILL No. 5485

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November 28, 2007, Introduced by Rep. Clemente and referred to the Committee on Tax Policy.

A bill to amend 1984 PA 385, entitled

"Technology park development act,"

by amending section 12 (MCL 207.712), as amended by 2004 PA 321.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 12. (1) Except as provided in subsections (8) and (9), there is levied upon every owner of record and every user or occupant, if known, of a facility to which a certificate is issued, a specific tax to be known as a technology park facilities tax.

(2) The amount of the technology park facilities tax in each year shall be determined by multiplying the state equalized valuation of the facility excluding the land and the inventory personal property by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied by a local or

intermediate school district within which the facility is located for school operating purposes or mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, plus 1/2 of the number of mills levied for school operating purposes in 1993.

(3) The technology park facilities tax shall be collected, disbursed, and assessed in accordance with this act.

(4) The technology park facilities tax shall be an annual tax payable at the same time, in the same manner, and to the same officer or officers as taxes imposed under the general property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~ **211.155**, are payable. Except as otherwise provided in this section, the officer or officers shall disburse technology park facilities tax payments received each year to the state, cities, townships, villages, school districts, counties, community and junior colleges, and authorities, at the times and in the proportions required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~ **211.155**. To determine the proportion for the disbursement of taxes under this subsection and for attribution of taxes under subsection (6) for taxes collected pursuant to technology park facilities exemption certificates issued before January 1, 1994, the number of mills levied for local school district operating purposes to be used in the calculation shall equal the number of mills for local school district operating purposes levied in 1993 minus the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, for the year for which the disbursement is calculated.

(5) Except as provided in subsection (6), all or a portion of the amount to be disbursed to intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, as determined on the basis of the tax rates being utilized to compute the amount of state aid, shall be paid to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) For technology park facilities taxes levied after 1993 for school operating purposes, the amount to be disbursed to a local school district shall be paid to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(7) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the department on a form provided by the department.

(8) A facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the technology park facilities tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the technology park facilities tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The technology park facilities tax calculated under this subsection shall be disbursed proportionately to the local taxing

unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

(9) Upon application for an exemption under this subsection by a qualified start-up business, the governing body of a local tax collecting unit may adopt a resolution to exempt a facility of a qualified start-up business from the collection of the technology park facilities tax levied under this act in the same manner and under the same terms and conditions as provided for the exemption in section 7hh of the general property tax act, 1893 PA 206, MCL 211.7hh. The clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit. Before acting on the resolution, the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. If a resolution authorizing the exemption is adopted in the same manner as provided in section 7hh of the general property tax act, 1893 PA 206, MCL 211.7hh, the facility owned or operated by a qualified start-up business is exempt from the technology park facilities tax levied under this act, except for that portion of the technology park facilities tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff, for the year in which the resolution is adopted. A qualified start-up business is not eligible for an exemption under this subsection for more than 5 years. A qualified

start-up business may receive the exemption under this subsection in nonconsecutive years. The technology park facilities tax calculated under this subsection shall be disbursed proportionately to the taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. As used in this subsection, "qualified start-up business" means that term as defined in section 31a of the single business tax act, 1975 PA 228, MCL 208.31a**, OR IN SECTION 415 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1415**.