

HOUSE BILL No. 6609

November 6, 2008, Introduced by Reps. Mayes, Accavitti, Sheltroun, Brown, Polidori, Espinoza, Melton, Hammel, Clemente, Angerer, Warren, Meisner, LeBlanc, Corriveau, Coulouris, Alma Smith, Lahti, Byrnes, Robert Jones, Johnson, Spade, Meadows, Condino, Cushingberry, Byrum, Sak, Constan, Lindberg, McDowell, Jackson, Donigan, Bauer, Ebli, Dean and Simpson and referred to the Committee on Energy and Technology.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7mm.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7MM. (1) BEGINNING DECEMBER 31, 2009, AN ELIGIBLE ENERGY
2 CONVERSION DEVICE FOR WHICH AN EXEMPTION CERTIFICATE IS ISSUED
3 UNDER THIS SECTION IS EXEMPT FROM THE COLLECTION OF TAXES UNDER
4 THIS ACT AS PRESCRIBED IN THIS SECTION.

5 (2) AN EXEMPTION UNDER THIS SECTION IS EFFECTIVE BEGINNING ON
6 DECEMBER 31 IN THE YEAR IN WHICH AN EXEMPTION CERTIFICATE IS ISSUED
7 UNDER THIS SECTION AND SHALL CONTINUE UNLESS REVOKED AS PROVIDED IN
8 THIS SECTION.

9 (3) AN OWNER OF AN ENERGY CONVERSION DEVICE MAY SUBMIT AN

1 APPLICATION FOR AN EXEMPTION CERTIFICATE TO THE STATE TAX
2 COMMISSION AND TO THE MICHIGAN NEXT ENERGY AUTHORITY. THE
3 APPLICATION SHALL BE IN A FORM PRESCRIBED BY THE STATE TAX
4 COMMISSION AND THE MICHIGAN NEXT ENERGY AUTHORITY.

5 (4) IF THE MICHIGAN NEXT ENERGY AUTHORITY DETERMINES THAT THE
6 ENERGY CONVERSION DEVICE IS AN ELIGIBLE ENERGY CONVERSION DEVICE,
7 THE MICHIGAN NEXT ENERGY AUTHORITY SHALL CERTIFY THE ENERGY
8 CONVERSION DEVICE'S ELIGIBILITY TO THE STATE TAX COMMISSION AND THE
9 STATE TAX COMMISSION SHALL ISSUE AN EXEMPTION CERTIFICATE FOR THAT
10 ENERGY CONVERSION DEVICE. IF THE MICHIGAN NEXT ENERGY AUTHORITY
11 DETERMINES THAT THE ENERGY CONVERSION DEVICE IS NOT AN ELIGIBLE
12 ENERGY CONVERSION DEVICE, THE MICHIGAN NEXT ENERGY AUTHORITY SHALL
13 NOTIFY THE STATE TAX COMMISSION THAT THE ENERGY CONVERSION DEVICE
14 IS NOT ELIGIBLE FOR AN EXEMPTION UNDER THIS SECTION. AN EXEMPTION
15 CERTIFICATE ISSUED UNDER THIS SECTION SHALL STATE THE TOTAL
16 ACQUISITION COST OF THE ENERGY CONVERSION DEVICE.

17 (5) THE STATE TAX COMMISSION SHALL SEND AN EXEMPTION
18 CERTIFICATE ISSUED UNDER SUBSECTION (4), OR NOTICE OF THE MICHIGAN
19 NEXT ENERGY AUTHORITY'S REFUSAL TO CERTIFY THE ENERGY CONVERSION
20 DEVICE, TO THE OWNER OF THE ENERGY CONVERSION DEVICE SUBJECT TO THE
21 CERTIFICATE AND TO THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN
22 WHICH THE ENERGY CONVERSION DEVICE SUBJECT TO THE CERTIFICATE IS
23 LOCATED. THE EXEMPTION CERTIFICATE OR NOTICE OF REFUSAL SHALL BE
24 SENT BY FIRST-CLASS MAIL.

25 (6) THE STATE TAX COMMISSION SHALL REVOKE AN EXEMPTION
26 CERTIFICATE ISSUED UNDER THIS SECTION IF THE EXEMPTION CERTIFICATE
27 WAS OBTAINED BY FRAUD OR MISREPRESENTATION. THE STATE TAX

1 COMMISSION SHALL SEND NOTICE OF AN EXEMPTION CERTIFICATE'S
2 REVOCATION UNDER THIS SECTION TO THE OWNER OF THE PERSONAL PROPERTY
3 SUBJECT TO THE CERTIFICATE AND TO THE ASSESSOR OF THE LOCAL TAX
4 COLLECTING UNIT IN WHICH THE PERSONAL PROPERTY SUBJECT TO THE
5 CERTIFICATE IS LOCATED. THE REVOCATION NOTICE SHALL BE SENT BY
6 FIRST-CLASS MAIL. IF AN EXEMPTION CERTIFICATE IS REVOKED UNDER THIS
7 SUBSECTION, THE ASSESSOR SHALL REMOVE THE EXEMPTION OF THE ENERGY
8 CONVERSION DEVICE AND, IF THE TAX ROLL IS IN THE LOCAL TAX
9 COLLECTING UNIT'S POSSESSION, AMEND THE TAX ROLL TO REFLECT THE
10 DENIAL AND THE LOCAL TREASURER SHALL WITHIN 30 DAYS OF THE DATE OF
11 THE DENIAL ISSUE A CORRECTED TAX BILL FOR ANY ADDITIONAL TAXES WITH
12 INTEREST AND PENALTIES COMPUTED FROM THE DATE THE TAXES WERE LAST
13 PAYABLE WITHOUT INTEREST OR PENALTY IF THE ENERGY CONVERSION DEVICE
14 HAD NOT BEEN EXEMPTED FROM THE COLLECTION OF TAXES UNDER THIS
15 SECTION. IF THE TAX ROLL IS IN THE COUNTY TREASURER'S POSSESSION,
16 THE TAX ROLL SHALL BE AMENDED TO REFLECT THE DENIAL AND THE COUNTY
17 TREASURER SHALL WITHIN 30 DAYS OF THE DATE OF THE DENIAL PREPARE
18 AND SUBMIT A SUPPLEMENTAL TAX BILL FOR ANY ADDITIONAL TAXES,
19 TOGETHER WITH INTEREST AND PENALTIES COMPUTED FROM THE DATE THE
20 TAXES WERE LAST PAYABLE WITHOUT INTEREST OR PENALTY IF THE ENERGY
21 CONVERSION DEVICE HAD NOT BEEN EXEMPTED FROM THE COLLECTION OF
22 TAXES UNDER THIS SECTION. INTEREST ON ANY TAX SET FORTH IN A
23 CORRECTED OR SUPPLEMENTAL TAX BILL SHALL AGAIN BEGIN TO ACCRUE 60
24 DAYS AFTER THE DATE THE CORRECTED OR SUPPLEMENTAL TAX BILL IS
25 ISSUED. TAXES LEVIED IN A CORRECTED OR SUPPLEMENTAL TAX BILL SHALL
26 BE RETURNED AS DELINQUENT ON MARCH 1 IN THE YEAR IMMEDIATELY
27 SUCCEEDING THE YEAR IN WHICH THE CORRECTED OR SUPPLEMENTAL TAX BILL

1 IS ISSUED.

2 (7) AN EXEMPTION CERTIFICATE FOR AN ELIGIBLE ENERGY CONVERSION
3 DEVICE SHALL NOT BE ISSUED UNDER THIS SECTION IF INSTALLATION OF
4 THE ENERGY CONVERSION DEVICE IS COMPLETED AFTER DECEMBER 31, 2013.
5 ANY EXEMPTION CERTIFICATES ISSUED UNDER THIS SECTION BEFORE
6 DECEMBER 31, 2013 SHALL REMAIN IN EFFECT UNLESS REVOKED AS PROVIDED
7 IN SUBSECTION (6).

8 (8) ANY PARTY AGGRIEVED BY THE ISSUANCE, REFUSAL TO ISSUE, OR
9 REVOCATION OF AN EXEMPTION CERTIFICATE UNDER THIS SECTION MAY
10 APPEAL THAT ISSUANCE, REFUSAL TO ISSUE, OR REVOCATION TO THE
11 MICHIGAN TAX TRIBUNAL.

12 (9) THIS SECTION DOES NOT PRECLUDE THE NECESSITY OF OBTAINING
13 A PERMIT FOR CONSTRUCTION REQUIRED BY ANY OTHER LAW OR ORDINANCE.

14 (10) AS USED IN THIS SECTION:

15 (A) "ELIGIBLE ENERGY CONVERSION DEVICE" MEANS A SMALL-SCALE
16 SOLAR, WIND, OR WATER ENERGY CONVERSION DEVICE WHICH MEETS ALL
17 STANDARDS FOR A SOLAR, WIND, OR WATER ENERGY CONVERSION DEVICE
18 PRESCRIBED BY THE MICHIGAN NEXT ENERGY AUTHORITY.

19 (B) "MICHIGAN NEXT ENERGY AUTHORITY" MEANS THE MICHIGAN NEXT
20 ENERGY AUTHORITY CREATED IN SECTION 3 OF THE MICHIGAN NEXT ENERGY
21 AUTHORITY ACT, 2002 PA 593, MCL 207.823.

22 (C) "SMALL-SCALE" MEANS HAVING A GENERATING CAPACITY OF NOT
23 MORE THAN 50 KILOWATTS.

24 (D) "SOLAR, WIND, OR WATER ENERGY CONVERSION DEVICE" MEANS A
25 MECHANISM OR SERIES OF MECHANISMS DESIGNED PRIMARILY TO COLLECT,
26 CONVERT, TRANSFER, OR STORE FOR FUTURE USE SOLAR, WIND, OR WATER
27 ENERGY FOR THE PURPOSES OF HEATING, COOLING, OR ELECTRIC SUPPLY,

1 BUT NOT THOSE PARTS OF A HEATING, COOLING, OR ELECTRIC SUPPLY
2 SYSTEM THAT WOULD BE REQUIRED REGARDLESS OF THE ENERGY SOURCE BEING
3 UTILIZED. HOWEVER, A WATER ENERGY CONVERSION DEVICE INCLUDES ONLY
4 THOSE DEVICES THAT UTILIZE GROUNDWATER HEAT PUMPS OR LOW-HEAD
5 HYDRO-ENERGY CONVERSION SYSTEMS. LOW-HEAD HYDRO-ENERGY CONVERSION
6 SYSTEMS DO NOT INCLUDE PUBLIC UTILITY PROPERTY.