

HOUSE BILL No. 5169

July 14, 2009, Introduced by Reps. Donigan, Lipton, Polidori, Byrnes, Robert Jones and Tlaib and referred to the Committee on Transportation.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding section 438.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 438. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2009, A TAXPAYER THAT HAS A PREAPPROVAL LETTER FOR A TRANSIT-
3 ORIENTED DEVELOPMENT PROJECT ISSUED AFTER THE EFFECTIVE DATE OF THE
4 AMENDATORY ACT THAT ADDED THIS SECTION, PROVIDED THAT THE PROJECT
5 IS COMPLETED NOT MORE THAN 5 YEARS AFTER THE PREAPPROVAL LETTER FOR
6 THAT PROJECT IS ISSUED, OR AN ASSIGNEE UNDER SUBSECTION (14) MAY
7 CLAIM A CREDIT THAT HAS BEEN APPROVED UNDER SUBSECTION (3) AGAINST
8 THE TAX IMPOSED BY THIS ACT EQUAL TO 10% OF THE COST OF THE
9 TAXPAYER'S ELIGIBLE INVESTMENT PAID OR ACCRUED BY THE TAXPAYER ON
10 AN ELIGIBLE PROPERTY PROVIDED THAT THE TRANSIT-ORIENTED DEVELOPMENT

1 PROJECT DOES NOT EXCEED THE AMOUNT STATED IN THE PREAPPROVAL
2 LETTER. IF THE ELIGIBLE INVESTMENT EXCEEDS THE AMOUNT OF ELIGIBLE
3 INVESTMENT IN THE PREAPPROVAL LETTER FOR THAT PROJECT, THE TOTAL OF
4 ALL CREDITS FOR THE PROJECT SHALL NOT EXCEED THE TOTAL OF ALL
5 CREDITS ON THE CERTIFICATE OF COMPLETION.

6 (2) A TAXPAYER SHALL APPLY TO A TRANSIT REVITALIZATION
7 INVESTMENT AUTHORITY OR A DOWNTOWN DEVELOPMENT AUTHORITY FOR
8 PREAPPROVAL OF A TRANSIT-ORIENTED DEVELOPMENT PROJECT UNDER THIS
9 SECTION. EXCEPT AS OTHERWISE PROVIDED UNDER THIS SUBSECTION, THE
10 TRANSIT REVITALIZATION INVESTMENT BOARD OR THE DOWNTOWN DEVELOPMENT
11 AUTHORITY BOARD, WHICHEVER IS APPLICABLE, IS AUTHORIZED TO APPROVE
12 AN APPLICATION UNDER THIS SECTION. THE TRANSIT REVITALIZATION
13 INVESTMENT BOARD OR THE DOWNTOWN DEVELOPMENT AUTHORITY BOARD,
14 WHICHEVER IS APPLICABLE, SHALL NOT APPROVE ANY PROJECT APPLICATIONS
15 UNDER THIS SUBSECTION UNLESS THE APPLICABLE AUTHORITY HAS ENTERED
16 INTO AN AGREEMENT WITH A PUBLIC TRANSPORTATION AGENCY TO SHARE A
17 PORTION OF THE CAPTURED ASSESSED VALUE AS PROVIDED UNDER THE
18 TRANSIT REVITALIZATION INVESTMENT ZONE ACT OR SECTION 14 OF 1975 PA
19 197, MCL 125.1644, WHICHEVER IS APPLICABLE. ONLY THE DIRECTOR OF
20 THE BOARD IS AUTHORIZED TO DENY AN APPLICATION UNDER THIS SECTION.
21 A TRANSIT-ORIENTED DEVELOPMENT PROJECT SHALL BE APPROVED OR DENIED
22 NOT MORE THAN 45 DAYS AFTER RECEIPT OF THE APPLICATION. IF THE
23 BOARD DOES NOT APPROVE OR DENY THE APPLICATION WITHIN 45 DAYS AFTER
24 THE APPLICATION IS RECEIVED BY THE AUTHORITY, THE APPLICATION IS
25 CONSIDERED APPROVED AS WRITTEN. IF THE BOARD APPROVES A PROJECT
26 UNDER THIS SUBSECTION, THE DIRECTOR OF THE BOARD OR HIS OR HER
27 DESIGNEE SHALL ISSUE A PREAPPROVAL LETTER THAT STATES THE MAXIMUM

1 TOTAL ELIGIBLE INVESTMENT FOR THE PROJECT ON WHICH CREDITS MAY BE
2 CLAIMED AND THE MAXIMUM TOTAL OF ALL CREDITS FOR THE PROJECT WHEN
3 THE PROJECT IS COMPLETED. IF AN APPLICATION FOR PREAPPROVAL IS
4 DENIED UNDER THIS SUBSECTION, A TAXPAYER IS NOT PROHIBITED FROM
5 SUBSEQUENTLY APPLYING UNDER THIS SECTION FOR THE SAME PROJECT OR
6 FOR ANOTHER PROJECT. THE TRANSIT REVITALIZATION INVESTMENT
7 AUTHORITY AND THE DOWNTOWN DEVELOPMENT AUTHORITY SHALL DEVELOP AND
8 IMPLEMENT THE USE OF AN APPLICATION FORM TO BE USED FOR PREAPPROVAL
9 UNDER THIS SECTION.

10 (3) UPON RECEIPT OF THE PREAPPROVAL LETTER, THE TAXPAYER SHALL
11 SUBMIT THE PREAPPROVAL LETTER ALONG WITH A COPY OF THE TRANSIT-
12 ORIENTED DEVELOPMENT PROJECT TO THE MICHIGAN ECONOMIC GROWTH
13 AUTHORITY FOR FINAL APPROVAL OF THAT PROJECT. THE MICHIGAN ECONOMIC
14 GROWTH AUTHORITY SHALL NOT APPROVE MORE THAN 20 PROJECTS EACH
15 CALENDAR YEAR UNDER THIS SECTION, AND THE TOTAL AMOUNT OF ALL
16 CREDITS ALLOWED UNDER THIS SECTION SHALL NOT EXCEED \$40,000,000.00
17 IN A CALENDAR YEAR.

18 (4) THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL REVIEW ALL
19 PREAPPROVAL LETTERS AND TRANSIT-ORIENTED DEVELOPMENT PROJECTS FOR
20 FINAL APPROVAL UNDER THIS SECTION AND, IF A TRANSIT-ORIENTED
21 DEVELOPMENT PROJECT IS APPROVED, SHALL ASSIGN A NUMBER TO THE
22 PROJECT AND DETERMINE THE MAXIMUM TOTAL OF ALL CREDITS FOR THAT
23 PROJECT. THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL CONSIDER THE
24 FOLLOWING CRITERIA TO THE EXTENT REASONABLY APPLICABLE TO THE TYPE
25 OF PROJECT PROPOSED WHEN APPROVING A PROJECT UNDER THIS SECTION:

26 (A) THE OVERALL BENEFIT TO THE PUBLIC.

27 (B) THE EXTENT TO WHICH THE PROJECT WILL ENHANCE THE TRANSIT

1 REVITALIZATION INVESTMENT ZONE BY PROVIDING MORE PUBLIC
2 TRANSPORTATION OPTIONS AND PROMOTING TRANSIT RIDERSHIP OR PASSENGER
3 RAIL USE.

4 (C) CREATION OF JOBS.

5 (D) WHETHER THE ELIGIBLE PROPERTY IS IN AN AREA OF HIGH
6 UNEMPLOYMENT.

7 (E) WHETHER THE PROJECT IS FINANCIALLY AND ECONOMICALLY SOUND.

8 (F) THE EXTENT TO WHICH THE PROJECT WILL ENCOURAGE FURTHER
9 TRANSIT-ORIENTED DEVELOPMENT.

10 (G) WHETHER THE PROJECT IS SITUATED ON SITES THAT ARE
11 CURRENTLY SURFACE PARKING LOTS OR IS LOCATED IN A DOWNTOWN AREA OR
12 WITHIN IMMEDIATE WALKING DISTANCE OF A DOWNTOWN AREA.

13 (H) ANY OTHER CRITERIA THAT THE MICHIGAN ECONOMIC GROWTH
14 AUTHORITY CONSIDERS APPROPRIATE FOR THE DETERMINATION OF
15 ELIGIBILITY UNDER THIS SECTION.

16 (5) A TAXPAYER MAY APPLY FOR PROJECTS UNDER THIS SECTION FOR
17 ELIGIBLE INVESTMENT ON MORE THAN 1 ELIGIBLE PROPERTY IN A TAX YEAR.
18 EACH PROJECT APPROVED AND EACH PROJECT FOR WHICH A CERTIFICATE OF
19 COMPLETION IS ISSUED UNDER THIS SECTION SHALL BE FOR ELIGIBLE
20 INVESTMENT ON 1 ELIGIBLE PROPERTY.

21 (6) WHEN A PROJECT UNDER THIS SECTION IS COMPLETED, THE
22 TAXPAYER SHALL SUBMIT TO THE TRANSIT REVITALIZATION INVESTMENT
23 AUTHORITY OR THE DOWNTOWN DEVELOPMENT AUTHORITY, WHICHEVER IS
24 APPLICABLE, AND THE MICHIGAN ECONOMIC GROWTH AUTHORITY
25 DOCUMENTATION THAT THE PROJECT IS COMPLETED, AN ACCOUNTING OF THE
26 COST OF THE PROJECT, THE ELIGIBLE INVESTMENT OF EACH TAXPAYER IF
27 THERE IS MORE THAN 1 TAXPAYER ELIGIBLE FOR A CREDIT FOR THE

1 PROJECT, AND, IF THE TAXPAYER IS NOT THE OWNER OR LESSEE OF THE
2 ELIGIBLE PROPERTY ON WHICH THE ELIGIBLE INVESTMENT WAS MADE AT THE
3 TIME THE PROJECT IS COMPLETED, THAT THE TAXPAYER WAS THE OWNER OR
4 LESSEE OF, OR WAS A PARTY TO AN AGREEMENT TO PURCHASE OR LEASE,
5 THAT ELIGIBLE PROPERTY WHEN ALL ELIGIBLE INVESTMENT OF THE TAXPAYER
6 WAS MADE. THE DIRECTOR OF THE BOARD OF THE TRANSIT REVITALIZATION
7 INVESTMENT AUTHORITY OR OF THE BOARD OF THE DOWNTOWN DEVELOPMENT
8 AUTHORITY, OR HIS OR HER DESIGNEE, FOR PROJECTS APPROVED UNDER THIS
9 SECTION SHALL VERIFY THAT THE PROJECT IS COMPLETED. THE TRANSIT
10 REVITALIZATION INVESTMENT AUTHORITY OR THE DOWNTOWN DEVELOPMENT
11 AUTHORITY SHALL CONDUCT AN ON-SITE INSPECTION AS PART OF THE
12 VERIFICATION PROCESS FOR PROJECTS APPROVED UNDER THIS SECTION. WHEN
13 THE COMPLETION OF THE PROJECT IS VERIFIED, THE DIRECTOR OF THE
14 BOARD OF THE TRANSIT REVITALIZATION INVESTMENT AUTHORITY OR THE
15 DOWNTOWN DEVELOPMENT AUTHORITY SHALL NOTIFY THE MICHIGAN ECONOMIC
16 GROWTH AUTHORITY. WITHIN 90 DAYS OF RECEIVING NOTIFICATION OF THE
17 COMPLETION OF A PROJECT APPROVED UNDER SUBSECTION (3), THE MICHIGAN
18 ECONOMIC GROWTH AUTHORITY SHALL ISSUE A CERTIFICATE OF COMPLETION
19 TO EACH TAXPAYER THAT HAS MADE ELIGIBLE INVESTMENT ON THAT ELIGIBLE
20 PROPERTY. THE CERTIFICATE OF COMPLETION SHALL STATE THE TOTAL
21 AMOUNT OF ALL CREDITS FOR THE PROJECT, WHICH TOTAL SHALL NOT EXCEED
22 THE MAXIMUM TOTAL OF ALL CREDITS LISTED IN THE PREAPPROVAL LETTER
23 FOR THE PROJECT, AND SHALL STATE ALL OF THE FOLLOWING:

24 (A) THE TOTAL COST OF THE PROJECT AND THE ELIGIBLE INVESTMENT
25 OF EACH TAXPAYER.

26 (B) EACH TAXPAYER'S CREDIT AMOUNT.

27 (C) THE TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER OR

1 THE MICHIGAN TREASURY NUMBER ASSIGNED TO THE TAXPAYER.

2 (D) THE PROJECT NUMBER.

3 (7) THE COST OF ELIGIBLE INVESTMENT FOR LEASED MACHINERY,
4 EQUIPMENT, OR FIXTURES IS THE COST OF THAT PROPERTY HAD THE
5 PROPERTY BEEN PURCHASED MINUS THE LESSOR'S ESTIMATE, MADE AT THE
6 TIME THE LEASE IS ENTERED INTO, OF THE MARKET VALUE THE PROPERTY
7 WILL HAVE AT THE END OF THE LEASE. A CREDIT FOR PROPERTY DESCRIBED
8 IN THIS SUBSECTION IS ALLOWED ONLY IF THE COST OF THAT PROPERTY HAD
9 THE PROPERTY BEEN PURCHASED AND THE LESSOR'S ESTIMATE OF THE MARKET
10 VALUE AT THE END OF THE LEASE ARE PROVIDED TO THE MICHIGAN ECONOMIC
11 GROWTH AUTHORITY.

12 (8) CREDITS CLAIMED BY A LESSEE OF ELIGIBLE PROPERTY ARE
13 SUBJECT TO THE TOTAL OF ALL CREDITS LIMITATION UNDER THIS SECTION.

14 (9) EACH TAXPAYER AND ASSIGNEE UNDER SUBSECTION (12) THAT
15 CLAIMS A CREDIT UNDER THIS SECTION SHALL ATTACH A COPY OF THE
16 CERTIFICATE OF COMPLETION AND, IF THE CREDIT WAS ASSIGNED, A COPY
17 OF THE ASSIGNMENT FORM PROVIDED FOR UNDER THIS SECTION TO THE
18 ANNUAL RETURN FILED UNDER THIS ACT ON WHICH THE CREDIT UNDER THIS
19 SECTION IS CLAIMED.

20 (10) A CREDIT UNDER THIS SECTION SHALL BE CLAIMED IN THE TAX
21 YEAR IN WHICH THE CERTIFICATE OF COMPLETION IS ISSUED TO THE
22 TAXPAYER.

23 (11) EXCEPT AS OTHERWISE PROVIDED UNDER THIS SUBSECTION, THE
24 CREDITS APPROVED UNDER THIS SECTION SHALL BE CALCULATED AFTER
25 APPLICATION OF ALL OTHER CREDITS ALLOWED UNDER THIS ACT. THE
26 CREDITS UNDER THIS SECTION SHALL BE CALCULATED BEFORE THE
27 CALCULATION OF THE CREDITS UNDER SECTIONS 413, 423, 431, AND 450.

1 (12) EXCEPT AS OTHERWISE PROVIDED UNDER THIS SUBSECTION, IF
2 THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR AND ANY
3 UNUSED CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS SECTION EXCEED
4 THE TAXPAYER'S OR ASSIGNEE'S TAX LIABILITY FOR THE TAX YEAR, THAT
5 PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT
6 BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN
7 SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER
8 OCCURS FIRST. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
9 MAXIMUM TIME ALLOWED UNDER THE CARRYFORWARD PROVISIONS UNDER THIS
10 SUBSECTION BEGINS WITH THE TAX YEAR IN WHICH THE CERTIFICATE OF
11 COMPLETION IS ISSUED TO THE TAXPAYER. IF THE TAXPAYER ASSIGNS ALL
12 OR ANY PORTION OF ITS CREDIT APPROVED UNDER THIS SECTION, THE
13 MAXIMUM TIME ALLOWED UNDER THE CARRYFORWARD PROVISIONS FOR AN
14 ASSIGNEE BEGINS TO RUN WITH THE TAX YEAR IN WHICH THE ASSIGNMENT IS
15 MADE AND THE ASSIGNEE FIRST CLAIMS A CREDIT, WHICH SHALL BE THE
16 SAME TAX YEAR. IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX
17 YEAR EXCEEDS THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THE
18 TAXPAYER MAY ELECT TO HAVE THE EXCESS REFUNDED AT A RATE EQUAL TO
19 85% OF THAT PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY OF
20 THE TAXPAYER FOR THE TAX YEAR AND FORGO THE REMAINING 15% OF THE
21 CREDIT AND ANY CARRYFORWARD.

22 (13) IF A PROJECT OR CREDIT UNDER THIS SECTION IS FOR THE
23 ADDITION OF PERSONAL PROPERTY, IF THE COST OF THAT PERSONAL
24 PROPERTY IS USED TO CALCULATE A CREDIT UNDER THIS SECTION, AND IF
25 THE PERSONAL PROPERTY IS DISPOSED OF OR TRANSFERRED FROM THE
26 ELIGIBLE PROPERTY TO ANY OTHER LOCATION, THE TAXPAYER THAT DISPOSED
27 OF THAT PROPERTY OR TRANSFERRED THE PERSONAL PROPERTY SHALL ADD THE

1 10% OF THE FEDERAL BASIS OF THE PERSONAL PROPERTY USED FOR
2 DETERMINING GAIN OR LOSS AS OF THE DATE OF THE DISPOSITION OR
3 TRANSFER TO THE TAXPAYER'S TAX LIABILITY UNDER THIS ACT AFTER
4 APPLICATION OF ALL CREDITS UNDER THIS ACT FOR THE TAX YEAR IN WHICH
5 THE DISPOSITION OR TRANSFER OCCURS. IF A TAXPAYER HAS AN UNUSED
6 CARRYFORWARD OF A CREDIT UNDER THIS SECTION, THE AMOUNT OTHERWISE
7 ADDED UNDER THIS SUBSECTION TO THE TAXPAYER'S TAX LIABILITY MAY
8 INSTEAD BE USED TO REDUCE THE TAXPAYER'S CARRYFORWARD UNDER
9 SUBSECTION (12).

10 (14) FOR PROJECTS APPROVED UNDER THIS SECTION FOR WHICH A
11 CERTIFICATE OF COMPLETION IS ISSUED, A TAXPAYER MAY ASSIGN ALL OR A
12 PORTION OF A CREDIT ALLOWED UNDER THIS SECTION UNDER THIS
13 SUBSECTION. A CREDIT ASSIGNMENT UNDER THIS SUBSECTION IS
14 IRREVOCABLE AND SHALL BE MADE IN THE TAX YEAR IN WHICH A
15 CERTIFICATE OF COMPLETION IS ISSUED UNLESS THE ASSIGNEE IS AN
16 UNKNOWN LESSEE. IF A TAXPAYER WISHES TO ASSIGN ALL OR A PORTION OF
17 ITS CREDIT TO A LESSEE BUT THE LESSEE IS UNKNOWN IN THE TAX YEAR IN
18 WHICH THE CERTIFICATE OF COMPLETION IS ISSUED, THE TAXPAYER MAY
19 DELAY CLAIMING AND ASSIGNING THE CREDIT UNTIL THE FIRST TAX YEAR IN
20 WHICH THE LESSEE IS KNOWN. A TAXPAYER MAY CLAIM A PORTION OF A
21 CREDIT AND ASSIGN THE REMAINING CREDIT AMOUNT. IF THE TAXPAYER BOTH
22 CLAIMS AND ASSIGNS PORTIONS OF THE CREDIT, THE TAXPAYER SHALL CLAIM
23 THE PORTION IT CLAIMS IN THE TAX YEAR IN WHICH A CERTIFICATE OF
24 COMPLETION IS ISSUED PURSUANT TO THIS SECTION. AN ASSIGNEE MAY
25 SUBSEQUENTLY ASSIGN A CREDIT OR ANY PORTION OF A CREDIT ASSIGNED
26 UNDER THIS SUBSECTION TO 1 OR MORE ASSIGNEES. THE CREDIT ASSIGNMENT
27 OR A SUBSEQUENT REASSIGNMENT UNDER THIS SUBSECTION SHALL BE MADE ON

1 A FORM PRESCRIBED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY. THE
2 MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL REVIEW AND ISSUE A
3 COMPLETED ASSIGNMENT OR REASSIGNMENT CERTIFICATE TO THE ASSIGNEE OR
4 REASSIGNEE. AN ASSIGNEE OR SUBSEQUENT REASSIGNEE SHALL ATTACH A
5 COPY OF THE COMPLETED ASSIGNMENT CERTIFICATE TO ITS ANNUAL RETURN
6 REQUIRED UNDER THIS ACT, FOR THE TAX YEAR IN WHICH THE ASSIGNMENT
7 OR REASSIGNMENT IS MADE AND THE ASSIGNEE OR REASSIGNEE FIRST CLAIMS
8 A CREDIT, WHICH SHALL BE THE SAME TAX YEAR. IN ADDITION TO ALL
9 OTHER PROCEDURES AND REQUIREMENTS UNDER THIS SECTION, THE FOLLOWING
10 APPLY IF THE TOTAL OF ALL CREDITS FOR A PROJECT IS MORE THAN
11 \$10,000,000.00 BUT \$30,000,000.00 OR LESS:

12 (A) THE CREDIT SHALL BE ASSIGNED BASED ON THE SCHEDULE
13 CONTAINED IN THE CERTIFICATE OF COMPLETION.

14 (B) IF THE TAXPAYER ASSIGNS ALL OR A PORTION OF THE CREDIT
15 AMOUNT, THE TAXPAYER SHALL ASSIGN THE ANNUAL CREDIT AMOUNT FOR EACH
16 TAX YEAR SEPARATELY.

17 (C) MORE THAN 1 ANNUAL CREDIT AMOUNT MAY BE ASSIGNED TO ANY 1
18 ASSIGNEE, AND THE TAXPAYER MAY ASSIGN ALL OR A PORTION OF EACH
19 ANNUAL CREDIT AMOUNT TO ANY ASSIGNEE.

20 (15) THE MICHIGAN ECONOMIC GROWTH AUTHORITY ANNUALLY SHALL
21 PREPARE AND SUBMIT TO THE HOUSE OF REPRESENTATIVES AND SENATE
22 COMMITTEES RESPONSIBLE FOR TAX POLICY AND ECONOMIC DEVELOPMENT
23 ISSUES A REPORT ON THE CREDITS UNDER THIS SECTION. THE REPORT SHALL
24 INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

25 (A) A LISTING OF THE PROJECTS UNDER THIS SECTION THAT WERE
26 APPROVED IN THE CALENDAR YEAR.

27 (B) THE TOTAL AMOUNT OF ELIGIBLE INVESTMENT FOR PROJECTS

1 APPROVED UNDER THIS SECTION IN THE CALENDAR YEAR.

2 (16) FOR PURPOSES OF THIS SECTION, TAXPAYER INCLUDES A PERSON
3 SUBJECT TO THE TAX IMPOSED UNDER CHAPTERS 2A AND A PERSON SUBJECT
4 TO THE TAX IMPOSED UNDER CHAPTER 2B.

5 (17) AS USED IN THIS SECTION:

6 (A) "ANNUAL CREDIT AMOUNT" MEANS THE MAXIMUM AMOUNT THAT A
7 TAXPAYER IS ELIGIBLE TO CLAIM EACH TAX YEAR FOR A PROJECT.

8 (B) "DOWNTOWN DEVELOPMENT AUTHORITY" MEANS AN AUTHORITY
9 CREATED PURSUANT TO 1975 PA 197, MCL 125.1651 TO 125.1681.

10 (C) "DOWNTOWN DEVELOPMENT AUTHORITY BOARD" MEANS THE GOVERNING
11 BODY OF THE DOWNTOWN DEVELOPMENT AUTHORITY APPOINTED UNDER SECTION
12 4 OF 1975 PA 197, MCL 125.1654.

13 (D) "ELIGIBLE ACTIVITIES" OR "ELIGIBLE ACTIVITY" MEANS 1 OR
14 MORE OF THE FOLLOWING:

15 (i) INFRASTRUCTURE IMPROVEMENTS THAT DIRECTLY BENEFIT ELIGIBLE
16 PROPERTY.

17 (ii) REASONABLE COSTS OF DEVELOPING AND PREPARING TRANSIT-
18 ORIENTED DEVELOPMENT PROJECTS.

19 (E) "ELIGIBLE INVESTMENT" OR "ELIGIBLE INVESTMENTS" MEANS,
20 WHEN MADE NO EARLIER THAN 90 DAYS PRIOR TO THE DATE OF THE
21 PREAPPROVAL LETTER, ANY DEMOLITION, CONSTRUCTION, RESTORATION,
22 ALTERATION, RENOVATION, OR IMPROVEMENT OF BUILDINGS OR SITE
23 IMPROVEMENTS ON ELIGIBLE PROPERTY AND THE ADDITION OF MACHINERY,
24 EQUIPMENT, AND FIXTURES TO ELIGIBLE PROPERTY AFTER THE DATE THAT
25 ELIGIBLE ACTIVITIES ON THAT ELIGIBLE PROPERTY HAVE STARTED PURSUANT
26 TO A TRANSIT-ORIENTED DEVELOPMENT PROJECT UNDER THE TRANSIT
27 REVITALIZATION INVESTMENT ZONE ACT, IF THE COSTS OF THE ELIGIBLE

1 INVESTMENT ARE NOT OTHERWISE REIMBURSED TO THE TAXPAYER OR PAID FOR
2 ON BEHALF OF THE TAXPAYER FROM ANY SOURCE OTHER THAN THE TAXPAYER.
3 THE ADDITION OF LEASED MACHINERY, EQUIPMENT, OR FIXTURES TO
4 ELIGIBLE PROPERTY BY A LESSEE OF THE MACHINERY, EQUIPMENT, OR
5 FIXTURES IS ELIGIBLE INVESTMENT IF THE LEASE OF THE MACHINERY,
6 EQUIPMENT, OR FIXTURES HAS A MINIMUM TERM OF 10 YEARS OR IS FOR THE
7 EXPECTED USEFUL LIFE OF THE MACHINERY, EQUIPMENT, OR FIXTURES, AND
8 IF THE OWNER OF THE MACHINERY, EQUIPMENT, OR FIXTURES IS NOT THE
9 TAXPAYER WITH REGARD TO THAT MACHINERY, EQUIPMENT, OR FIXTURES.
10 ELIGIBLE INVESTMENT DOES NOT INCLUDE CERTAIN SOFT COSTS OF THE
11 ELIGIBLE INVESTMENT AS DETERMINED BY THE TRANSIT REVITALIZATION
12 INVESTMENT AUTHORITY, INCLUDING, BUT NOT LIMITED TO, DEVELOPER
13 FEES, APPRAISALS, PERFORMANCE BONDS, CLOSING COSTS, BANK FEES, LOAN
14 FEES, RISK CONTINGENCIES, FINANCING COSTS, PERMANENT OR
15 CONSTRUCTION PERIOD INTEREST, LEGAL EXPENSES, LEASING OR SALES
16 COMMISSIONS, MARKETING COSTS, PROFESSIONAL FEES, SHARED SAVINGS,
17 TAXES, TITLE INSURANCE, BANK INSPECTION FEES, INSURANCE, AND
18 PROJECT MANAGEMENT FEES. NOTWITHSTANDING THE FOREGOING, ELIGIBLE
19 INVESTMENT DOES INCLUDE ARCHITECTURAL, ENGINEERING, SURVEYING, AND
20 SIMILAR PROFESSIONAL FEES.

21 (F) "ELIGIBLE PROPERTY" MEANS PROPERTY FOR WHICH ELIGIBLE
22 ACTIVITIES ARE IDENTIFIED UNDER A TRANSIT-ORIENTED DEVELOPMENT
23 PROJECT THAT WAS USED OR IS CURRENTLY USED FOR HIGH-DENSITY
24 RESIDENTIAL, COMMERCIAL, OR MIXED USE PURPOSES, INCLUDING PERSONAL
25 PROPERTY LOCATED ON THE PROPERTY, TO THE EXTENT INCLUDED IN THE
26 TRANSIT-ORIENTED DEVELOPMENT PROJECT, AND THAT IS IN A TRANSIT
27 REVITALIZATION INVESTMENT ZONE AND INCLUDES PARCELS THAT ARE

1 ADJACENT OR CONTIGUOUS TO THAT PROPERTY IF THE DEVELOPMENT OF THE
2 ADJACENT AND CONTIGUOUS PARCELS IS ESTIMATED TO INCREASE THE
3 CAPTURED TAXABLE VALUE OF THAT PROPERTY.

4 (G) "PERSONAL PROPERTY" MEANS THAT TERM AS DEFINED IN SECTION
5 8 OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.8, EXCEPT
6 THAT PERSONAL PROPERTY DOES NOT INCLUDE EITHER OF THE FOLLOWING:

7 (i) PERSONAL PROPERTY DESCRIBED IN SECTION 8(H), (I), OR (J) OF
8 THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.8.

9 (ii) BUILDINGS DESCRIBED IN SECTION 14(6) OF THE GENERAL
10 PROPERTY TAX ACT, 1893 PA 206, MCL 211.14.

11 (H) "PUBLIC TRANSPORTATION AGENCY" MEANS THAT TERM AS DEFINED
12 UNDER SECTION 2 OF THE TRANSIT REVITALIZATION INVESTMENT ZONE ACT.

13 (I) "TRANSIT-ORIENTED DEVELOPMENT PROJECT" OR "PROJECT" MEANS
14 THE TOTAL OF ALL ELIGIBLE INVESTMENTS ON AN ELIGIBLE PROPERTY THAT
15 IS CONCENTRATED AROUND AND ORIENTED TO TRANSIT STATIONS IN A MANNER
16 THAT PROMOTES TRANSIT RIDERSHIP OR PASSENGER RAIL USE AND
17 ENCOURAGES FURTHER TRANSIT-ORIENTED DEVELOPMENT.

18 (J) "TRANSIT REVITALIZATION INVESTMENT AUTHORITY" MEANS THE
19 TRANSIT REVITALIZATION INVESTMENT AUTHORITY CREATED UNDER THE
20 TRANSIT REVITALIZATION INVESTMENT ZONE ACT.

21 (K) "TRANSIT REVITALIZATION INVESTMENT AUTHORITY BOARD" MEANS
22 THE GOVERNING BODY OF THE TRANSIT REVITALIZATION INVESTMENT
23 AUTHORITY ESTABLISHED PURSUANT TO SECTION 8 OF THE TRANSIT
24 REVITALIZATION INVESTMENT ZONE ACT.

25 Enacting section 1. This amendatory act does not take effect
26 unless all of the following bills of the 95th Legislature are
27 enacted into law:

1 (a) Senate Bill No.____ or House Bill No.____ (request no.
2 00767'09).

3 (b) Senate Bill No.____ or House Bill No. 5170 (request no.
4 03624'09).

5 (c) Senate Bill No.____ or House Bill No. 5171 (request no.
6 03929'09).