

SENATE BILL No. 500

April 30, 2009, Introduced by Senators STAMAS, KAHN, VAN WOERKOM, RICHARDVILLE, ALLEN, SWITALSKI, BARCIA, GILBERT and SANBORN and referred to the Committee on Economic Development and Regulatory Reform.

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, 4, 7, 9, and 10 (MCL 207.552, 207.554, 207.557, 207.559, and 207.560), section 2 as amended by 2008 PA 581, section 4 as amended by 2004 PA 437, section 7 as amended by 2008 PA 457, section 9 as amended by 2008 PA 516, and section 10 as amended by 1996 PA 1.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 2. (1) "Commission" means the state tax commission

1

1 created by 1927 PA 360, MCL 209.101 to 209.107.

2 (2) "Facility" means ~~either~~ a replacement facility, a new
3 facility, **AN EXISTING FACILITY**, or, if applicable by its usage, a
4 speculative building.

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

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

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

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

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

27 (6) "Industrial property" means land improvements, buildings,

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

1 Industrial property also includes convention and trade centers in
2 which construction begins not later than December 31, 2010 and is
3 over 250,000 square feet in size or, if located in a county with a
4 population of more than 750,000 and less than 1,100,000, is over
5 100,000 square feet in size or, if located in a county with a
6 population of more than 26,000 and less than 28,000, is over 30,000
7 square feet in size. Industrial property also includes a federal
8 reserve bank operating under 12 USC 341, located in a city with a
9 population of 750,000 or more. Industrial property may be owned or
10 leased. However, in the case of leased property, the lessee is
11 liable for payment of ad valorem property taxes and shall furnish
12 proof of that liability. Industrial property does not include any
13 of the following:

14 (a) Land.

15 (b) Property of a public utility other than an electric
16 generating plant that is not owned by a local unit of government
17 and for which an application was approved by the legislative body
18 of a local governmental unit between June 30, 1999 and December 31,
19 2007.

20 (c) Inventory.

21 (7) "Obsolete industrial property" means industrial property
22 the condition of which is substantially less than an economically
23 efficient functional condition.

24 (8) "Economically efficient functional condition" means a
25 state or condition of property the desirability and usefulness of
26 which is not impaired due to changes in design, construction,
27 technology, or improved production processes, or from external

1 influencing factors that make the property less desirable and
2 valuable for continued use.

3 (9) "Research and development laboratories" means building and
4 structures, including the machinery, equipment, furniture, and
5 fixtures located in the building or structure, used or to be used
6 for research or experimental purposes that would be considered
7 qualified research as that term is used in section 41 of the
8 internal revenue code, 26 USC 41, except that qualified research
9 also includes qualified research funded by grant, contract, or
10 otherwise by another person or governmental entity.

11 (10) "Manufacture of goods or materials" or "processing of
12 goods or materials" means any type of operation that would be
13 conducted by an entity included in the classifications provided by
14 sector 31-33 – manufacturing, of the North American industry
15 classification system, United States, 1997, published by the office
16 of management and budget, regardless of whether the entity
17 conducting that operation is included in that manual.

18 (11) "High-technology activity" means that term as defined in
19 section 3 of the Michigan economic growth authority act, 1995 PA
20 24, MCL 207.803.

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

26 (a) The sorting and distribution center is within 2 miles of a
27 private passenger motor vehicle assembly center that, together with

1 supporting facilities, contains at least 800,000 square feet.

2 (b) The sorting and distribution center contains at least
3 950,000 square feet.

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

7 (d) The private passenger motor vehicle assembly center is
8 located on land conditionally transferred by a township with a
9 population of more than 25,000 under 1984 PA 425, MCL 124.21 to
10 124.30, to a city with a population of more than 100,000 that
11 levies an income tax under the city income tax act, 1964 PA 284,
12 MCL 141.501 to 141.787.

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

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

18 (a) At least 90% of the property, excluding the surrounding
19 green space, is used for warehousing, distribution, or logistic
20 purposes and is located in a county that borders another state or
21 Canada or for a communications center.

22 (b) Occupies a building or structure that is greater than
23 100,000 square feet in size.

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

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

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

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

10 (d) Engages in tourism promotion.

11 (e) Has permanent exhibitions of motorsports history, events,
12 or vehicles.

13 (16) "Major distribution and logistics facility" means a
14 proposed distribution center that meets all of the following:

15 (a) Contains at least 250,000 square feet.

16 (b) Has or will have an assessed value of \$5,000,000.00 or
17 more for the real property.

18 (c) Is located within 35 miles of the border of this state.

19 (d) Has as its purpose the distribution of inventory and
20 materials to facilities owned by the taxpayer whose primary
21 business is the retail sale of sporting goods and related
22 inventory.

23 **(17) "EXISTING FACILITY" MEANS INDUSTRIAL PROPERTY THAT IS NOT**
24 **A REPLACEMENT FACILITY, A NEW FACILITY, OR A SPECULATIVE BUILDING**
25 **AND MEETS 1 OR MORE OF THE FOLLOWING:**

26 **(A) HAS BEEN VACANT FOR A PERIOD OF 4 OR MORE YEARS.**

27 **(B) HAS BECOME VACANT DUE TO THE MOST RECENT OCCUPANT**

RELOCATING OUTSIDE OF THIS STATE.

Sec. 4. (1) A local governmental unit, by resolution of its legislative body, may establish plant rehabilitation districts and industrial development districts that consist of 1 or more parcels or tracts of land or a portion of a parcel or tract of land.

(2) The legislative body of a local governmental unit may establish a plant rehabilitation district or an industrial development district on its own initiative or upon a written request filed by the owner or owners of 75% of the state equalized value of the industrial property located within a proposed plant rehabilitation district or industrial development district. This request shall be filed with the clerk of the local governmental unit.

(3) Except as provided in section 9(2)(h), after December 31, 1983, a request for the establishment of a proposed plant rehabilitation district or industrial development district shall be filed only in connection with a proposed replacement facility or new facility, the construction, acquisition, alteration, or installation of or for which has not commenced at the time of the filing of the request. The legislative body of a local governmental unit shall not establish a plant rehabilitation district or an industrial development district pursuant to subsection (2) if it finds that the request for the district was filed after the commencement of construction, alteration, or installation of, or of an acquisition related to, the proposed replacement facility or new facility. This subsection shall not apply to a speculative building

OR AN EXISTING FACILITY.

1 (4) Before adopting a resolution establishing a plant
2 rehabilitation district or industrial development district, the
3 legislative body shall give written notice by certified mail to the
4 owners of all real property within the proposed plant
5 rehabilitation district or industrial development district and
6 shall hold a public hearing on the establishment of the plant
7 rehabilitation district or industrial development district at which
8 those owners and other residents or taxpayers of the local
9 governmental unit shall have a right to appear and be heard.

10 (5) The legislative body of the local governmental unit, in
11 its resolution establishing a plant rehabilitation district, shall
12 set forth a finding and determination that property comprising not
13 less than 50% of the state equalized valuation of the industrial
14 property within the district is obsolete.

15 (6) A plant rehabilitation district or industrial development
16 district established by a township shall be only within the
17 unincorporated territory of the township and shall not be within a
18 village.

19 (7) Industrial property that is part of an industrial
20 development district or a plant rehabilitation district may also be
21 part of a tax increment district established under the tax
22 increment finance authority act, 1980 PA 450, MCL 125.1801 to
23 125.1830.

24 (8) A local governmental unit, by resolution of its
25 legislative body, may terminate a plant rehabilitation district or
26 an industrial development district, if there are no industrial
27 facilities exemption certificates in effect in the plant

1 rehabilitation district or the industrial development district on
2 the date of the resolution to terminate.

3 (9) Before acting on a proposed resolution terminating a plant
4 rehabilitation district or an industrial development district, the
5 local governmental unit shall give at least 14 days' written notice
6 by certified mail to the owners of all real property within the
7 plant rehabilitation district or industrial development district as
8 determined by the tax records in the office of the assessor or the
9 treasurer of the local tax collecting unit in which the property is
10 located and shall hold a public hearing on the termination of the
11 plant rehabilitation district or industrial development district at
12 which those owners and other residents or taxpayers of the local
13 governmental unit, or others, shall have a right to appear and be
14 heard.

15 Sec. 7. (1) Within 60 days after receipt of an approved
16 application or an appeal of a disapproved application that was
17 submitted to the commission before October 31 of that year, the
18 commission shall determine whether the facility is a speculative
19 building, **AN EXISTING FACILITY**, or designed and acquired primarily
20 for the purpose of restoration or replacement of obsolete
21 industrial property or the construction of new industrial property,
22 and whether the facility otherwise complies with section 9 and with
23 the other provisions of this act. If the commission so finds, it
24 shall issue an industrial facilities exemption certificate. Before
25 issuing a certificate the commission shall notify the state
26 treasurer of the application and shall obtain the written
27 concurrence of the department of energy, labor, and economic growth

1 that the application complies with the requirements in section 9.
2 Except as otherwise provided in section 7a, the effective date of
3 the certificate for a replacement facility, **AN EXISTING FACILITY**,
4 or **A** new facility is the immediately succeeding December 31
5 following the date the certificate is issued. For a speculative
6 building or a portion of a speculative building, except as
7 otherwise provided in section 7a, the effective date of the
8 certificate is the immediately succeeding December 31 following the
9 date the speculative building, or the portion of a speculative
10 building, is used as a manufacturing facility.

11 (2) The commission shall send an industrial facilities
12 exemption certificate, when issued, by mail to the applicant, and a
13 certified copy by mail to the assessor of the assessing unit in
14 which the facility is located or to be located, and that copy shall
15 be filed in his or her office. Notice of the commission's refusal
16 to issue a certificate shall be sent by mail to the same persons.

17 (3) Notwithstanding any other provision of this act, if on
18 December 29, 1986 a local governmental unit passed a resolution
19 approving an exemption certificate for 10 years for real and
20 personal property but the commission did not receive the
21 application until 1992 and the application was not made complete
22 until 1995, then the commission shall issue, for that property, an
23 industrial facilities exemption certificate that begins December
24 30, 1987 and ends December 30, 1997.

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

1 for a new facility on October 14, 2003 for a certificate that
2 expired in December 2002, the commission shall issue for that
3 property an industrial facilities exemption certificate that begins
4 on December 30, 2002 and ends December 30, 2009.

5 (5) Notwithstanding any other provision of this act, if on or
6 before February 10, 2007 a local governmental unit passed a
7 resolution approving an amendment of an industrial facilities
8 exemption certificate for a replacement facility and that
9 certificate was revoked by the commission effective December 30,
10 2005 with the order of revocation issued by the commission on April
11 10, 2006, notwithstanding the revocation, the commission shall
12 retroactively amend the certificate and give full effect to the
13 amended certificate, which shall include the additional personal
14 property expenditures described in the resolution amending the
15 certificate, for the period of time beginning when the certificate
16 was originally approved until the certificate was revoked.

17 Sec. 9. (1) The legislative body of the local governmental
18 unit, in its resolution approving an application, shall set forth a
19 finding and determination that the granting of the industrial
20 facilities exemption certificate, considered together with the
21 aggregate amount of industrial facilities exemption certificates
22 previously granted and currently in force, shall not have the
23 effect of substantially impeding the operation of the local
24 governmental unit or impairing the financial soundness of a taxing
25 unit that levies an ad valorem property tax in the local
26 governmental unit in which the facility is located or to be
27 located. If the state equalized valuation of property proposed to

1 be exempt pursuant to an application under consideration,
2 considered together with the aggregate state equalized valuation of
3 property exempt under certificates previously granted and currently
4 in force, exceeds 5% of the state equalized valuation of the local
5 governmental unit, the commission, with the approval of the state
6 treasurer, shall make a separate finding and shall include a
7 statement in the order approving the industrial facilities
8 exemption certificate that exceeding that amount shall not have the
9 effect of substantially impeding the operation of the local
10 governmental unit or impairing the financial soundness of an
11 affected taxing unit.

12 (2) Except for an application for a speculative building,
13 which is governed by subsection (4), **OR FOR AN APPLICATION FOR AN**
14 **EXISTING FACILITY**, the legislative body of the local governmental
15 unit shall not approve an application and the commission shall not
16 grant an industrial facilities exemption certificate unless the
17 applicant complies with all of the following requirements:

18 (a) The commencement of the restoration, replacement, or
19 construction of the facility occurred not earlier than 12 months
20 before the filing of the application for the industrial facilities
21 exemption certificate. If the application is not filed within the
22 12-month period, the application may be filed within the succeeding
23 12-month period and the industrial facilities exemption certificate
24 shall in this case expire 1 year earlier than it would have expired
25 if the application had been timely filed. This subdivision does not
26 apply for applications filed with the local governmental unit after
27 December 31, 1983.

1 (b) For applications made after December 31, 1983, the
2 proposed facility shall be located within a plant rehabilitation
3 district or industrial development district that was duly
4 established in a local governmental unit eligible under this act to
5 establish a district and that was established upon a request filed
6 or by the local governmental unit's own initiative taken before the
7 commencement of the restoration, replacement, or construction of
8 the facility.

9 (c) For applications made after December 31, 1983, the
10 commencement of the restoration, replacement, or construction of
11 the facility occurred not earlier than 6 months before the filing
12 of the application for the industrial facilities exemption
13 certificate.

14 (d) The application relates to a construction, restoration, or
15 replacement program that when completed constitutes a new or
16 replacement facility within the meaning of this act and that shall
17 be situated within a plant rehabilitation district or industrial
18 development district duly established in a local governmental unit
19 eligible under this act to establish the district.

20 (e) Completion of the facility is calculated to, and will at
21 the time of issuance of the certificate have the reasonable
22 likelihood to create employment, retain employment, prevent a loss
23 of employment, or produce energy in the community in which the
24 facility is situated.

25 (f) Completion of the facility does not constitute merely the
26 addition of machinery and equipment for the purpose of increasing
27 productive capacity but rather is primarily for the purpose and

1 will primarily have the effect of restoration, replacement, or
2 updating the technology of obsolete industrial property. An
3 increase in productive capacity, even though significant, is not an
4 impediment to the issuance of an industrial facilities exemption
5 certificate if other criteria in this section and act are met. This
6 subdivision does not apply to a new facility.

7 (g) The provisions of subdivision (c) do not apply to a new
8 facility located in an existing industrial development district
9 owned by a person who filed an application for an industrial
10 facilities exemption certificate in April of 1992 if the
11 application was approved by the local governing body and was denied
12 by the state tax commission in April of 1993.

13 (h) The provisions of subdivisions (b) and (c) and section
14 4(3) do not apply to 1 or more of the following:

15 (i) A facility located in an industrial development district
16 owned by a person who filed an application for an industrial
17 facilities exemption certificate in October 1995 for construction
18 that was commenced in July 1992 in a district that was established
19 by the legislative body of the local governmental unit in July
20 1994. An industrial facilities exemption certificate described in
21 this subparagraph shall expire as provided in section 16(3).

22 (ii) A facility located in an industrial development district
23 that was established in January 1994 and was owned by a person who
24 filed an application for an industrial facilities exemption
25 certificate in February 1994 if the personal property and real
26 property portions of the application were approved by the
27 legislative body of the local governmental unit and the personal

1 property portion of the application was approved by the state tax
2 commission in December 1994 and the real property portion of the
3 application was denied by the state tax commission in December
4 1994. An industrial facilities exemption certificate described in
5 this subparagraph shall expire as provided in section 16(3).

6 (iii) A facility located in an industrial development district
7 that was established in December 1995 and was owned by a person who
8 filed an application for an industrial facilities exemptions
9 certificate in November or December 1995 for construction that was
10 commenced in September 1995.

11 (iv) A facility located in an industrial development district
12 owned by a person who filed an application for an industrial
13 facilities exemption certificate in July 2001 for construction that
14 was commenced in February 2001 in a district that was established
15 by the legislative body of the local governmental unit in September
16 2001. An industrial facilities exemption certificate described in
17 this subparagraph shall expire as provided in section 16. The
18 facility described in this subparagraph shall be taxed under this
19 act as if it was granted an industrial facilities exemption
20 certificate in October 2001, and a corrected tax bill shall be
21 issued by the local tax collecting unit if the local tax collecting
22 unit has possession of the tax roll or by the county treasurer if
23 the county has possession of the tax roll. If granting the
24 industrial facilities exemption certificate under this subparagraph
25 results in an overpayment of the tax, a rebate, including any
26 interest and penalties paid, shall be made to the taxpayer by the
27 local tax collecting unit if the local tax collecting unit has

1 possession of the tax roll or by the county treasurer if the county
2 has possession of the tax roll within 30 days of the date the
3 exemption is granted. The rebate shall be without interest.

4 (v) 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 December 2005 for construction
7 that was commenced in September 2005 in a district that was
8 established by the legislative body of the local governmental unit
9 in December 2005. An industrial facilities exemption certificate
10 described in this subparagraph shall expire as provided in section
11 16.

12 (vi) A facility located in an existing industrial development
13 district owned by a person who filed or amended an application for
14 an industrial facilities exemption certificate for real property in
15 July 2006 if the application was approved by the legislative body
16 of the local governmental unit in September 2006 but not submitted
17 to the state tax commission until September 2006.

18 (vii) A new facility located in an existing industrial
19 development district owned by a person who filed or amended an
20 application for an industrial facilities exemption certificate for
21 personal property in June 2006 if the application was approved by
22 the legislative body of the local governmental unit in August 2006
23 but not submitted to the state tax commission until 2007. The
24 effective date of the certificate shall be December 31, 2006.

25 (viii) A new facility located in an industrial development
26 district that was established by the legislative body of the local
27 governmental unit in September of 2007 for construction that was

1 commenced in March 2007 and for which an application for an
2 industrial facilities exemption certificate was filed in September
3 of 2007.

4 (ix) A facility located in an industrial development district
5 that was established by the legislative body of the local
6 governmental unit in August 2007 and was owned by a person who
7 filed an application for an industrial facilities exemption
8 certificate in June 2007 for equipment that was purchased in
9 January 2007.

10 (x) A facility located in an industrial development district
11 that otherwise meets the criteria of this act that has received
12 written approval from the chairperson of the Michigan economic
13 growth authority.

14 (xi) A new facility located in an industrial development
15 district that was established by the legislative body of the local
16 governmental unit in August of 2008 for construction that was
17 commenced in December 2005 and certificate of occupancy issued in
18 September 2006 for which an application for an industrial
19 facilities exemption certificate was filed in August of 2008.

20 (xii) A facility located in an industrial development district
21 owned by a person who filed an application for a certificate for
22 real and personal property in April 2005 if the application was
23 approved by the legislative body of the local governmental unit in
24 July 2005 for construction that was commenced in July 2004.

25 (xiii) A facility located in an industrial development district
26 that was established by the legislative body of the local
27 governmental unit in December 2007 for construction that was

1 commenced in September 2007 and a certificate of occupancy issued
2 in September 2008 for which an application for an industrial
3 facilities exemption certificate was approved in May of 2008.

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

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

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

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

27 (iv) A facility located in an existing industrial development

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

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

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

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

1 206, MCL 211.1 to ~~211.157~~ **211.155**, or be used in a manner
2 consistent with the general purposes of this act, subject to
3 approval of the commission.

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

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

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

1 application until 1992 and the application was not made complete
2 until 1995, then the commission shall issue, for that property, an
3 industrial facilities exemption certificate that begins December
4 30, 1987 and ends December 30, 1997. The facility described in this
5 subsection shall be taxed under this act as if it was granted an
6 industrial facilities exemption certificate on December 30, 1987.

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

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

26 (9) Notwithstanding section 16a and any other provision of
27 this act, if a local governmental unit passed a resolution

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

9 (10) Notwithstanding any other provision of this act, if the
10 commission issued an industrial facilities exemption certificate
11 for a new facility on December 8, 1998 but revoked that industrial
12 facilities exemption certificate for that same facility effective
13 December 30, 2006 and that new facility is purchased by a buyer on
14 or before November 1, 2007, the commission shall issue for that
15 property an industrial facilities exemption certificate that begins
16 December 31, 1998 and ends December 30, 2010 and shall transfer
17 that industrial facilities exemption certificate to the buyer. The
18 new facility described in this subsection shall be taxed under this
19 act as if it was granted an industrial facilities exemption
20 certificate effective on December 31, 1998.

21 (11) Notwithstanding any other provision of this act, if the
22 commission issued industrial facilities exemption certificates for
23 new facilities on October 30, 2002, September 9, 2003, and November
24 30, 2005 but revoked the industrial facilities exemption
25 certificates for the same facilities effective December 30, 2007
26 and the new facilities continue to qualify under this act, the
27 commission shall issue for the properties industrial facilities

1 exemption certificates which end respectively on December 30, 2008,
2 December 30, 2009, and December 30, 2011.

3 (12) Notwithstanding any other provision of this act, if in
4 August 2008 a local governmental unit passed a resolution approving
5 an exemption certificate for 12 years for real and personal
6 property but the commission did not receive the application until
7 2008, then the commission shall issue, for that property, an
8 industrial facilities exemption certificate that begins December
9 31, 2006 and ends December 30, 2018. The facility described in this
10 subsection shall be taxed under this act as if it had been granted
11 an industrial facilities exemption certificate on December 31,
12 2006.

13 Sec. 10. (1) The assessor of each city or township in which
14 there is a speculative building, new facility, **EXISTING FACILITY**,
15 or replacement facility with respect to which 1 or more industrial
16 facilities exemption certificates have been issued and are in force
17 shall determine annually as of December 31 the value and taxable
18 value of each facility separately, both for real and personal
19 property, having the benefit of a certificate.

20 (2) The assessor, upon receipt of notice of the filing of an
21 application for the issuance of a certificate, shall determine and
22 furnish to the local legislative body and the commission the value
23 of the property to which the application pertains and other
24 information as may be necessary to permit the local legislative
25 body and the commission to make the determinations required by
26 section 9(1).