

SENATE BILL No. 1400

June 23, 2010, Introduced by Senators VAN WOERKOM, GLEASON and STAMAS and referred to the Committee on Finance.

A bill to amend 2006 PA 379, entitled
"Qualified forest property recapture tax act,"
by amending section 4 (MCL 211.1034).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. The recapture tax under this act shall be imposed at
2 the following rate:

3 (a) If the property is converted by a change in use and there
4 have not been 1 or more harvests of forest products on that
5 property consistent with the approved forest management plan, the
6 recapture tax shall be calculated in the following manner:

7 (i) Multiply the property's state equalized valuation at the
8 time the property is converted by a change in use by the ~~total~~
9 ~~millage rate levied by all taxing units in the local tax collecting~~
10 ~~unit in which the property is located~~ **NUMBER OF MILLS FOR WHICH THE**

1 PROPERTY IS EXEMPT UNDER SECTION 1211 OF THE REVISED SCHOOL CODE,
2 1976 PA 451, MCL 380.1211.

3 (ii) Multiply the product of the calculation under subparagraph
4 (i) by 7 OR THE NUMBER OF YEARS THAT THE PROPERTY WAS EXEMPT UNDER
5 SECTION 7JJ OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
6 211.7JJ[1], WHICHEVER IS LESS.

7 (iii) Multiply the product of the calculation under subparagraph
8 (ii) by 2.

9 (b) If the property is converted by a change in use and there
10 have been 1 or more harvests of forest products on that property
11 consistent with the approved forest management plan, the recapture
12 tax shall be calculated in the following manner:

13 (i) Multiply the property's state equalized valuation at the
14 time the property is converted by a change in use by the ~~total~~
15 ~~millage rate levied by all taxing units in the local tax collecting~~
16 ~~unit in which the property is located~~ NUMBER OF MILLS FOR WHICH THE
17 PROPERTY IS EXEMPT UNDER SECTION 1211 OF THE REVISED SCHOOL CODE,
18 1976 PA 451, MCL 380.1211.

19 (ii) Multiply the product of the calculation under subparagraph
20 (i) by 7 OR THE NUMBER OF YEARS THAT THE PROPERTY WAS EXEMPT UNDER
21 SECTION 7JJ OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
22 211.7JJ[1], WHICHEVER IS LESS.

23 (c) In addition to the recapture tax calculated under
24 subdivision (a) or (b), if property is converted by a change in use
25 and the taxable value of the property was not adjusted under
26 section 27a(3) of the general property tax act, 1893 PA 206, MCL
27 211.27a, after a transfer of ownership of the property due to the

1 provisions of section 27a(7)(o) of the general property tax act,
2 1893 PA 206, MCL 211.27a, the recapture tax shall include the
3 benefit received on that property.