

# SENATE BILL No. 1401

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

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending sections 7jj and 27a (MCL 211.7jj[1] and 211.27a),  
section 7jj as added by 2006 PA 378 and section 27a as amended by  
2008 PA 506.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7jj. (1) Except as otherwise limited in this subsection,  
2       qualified forest property is exempt from the tax levied by a local  
3       school district for school operating purposes to the extent  
4       provided under section 1211 of the revised school code, 1976 PA  
5       451, MCL 380.1211, according to the provisions of this section. The  
6       amount of qualified forest property in this state that is eligible  
7       for the exemption under this section is limited as follows:

8       (a) In the fiscal year ending September 30, 2008, 300,000

1 acres.

2 (b) In the fiscal year ending September 30, 2009, 600,000  
3 acres.

4 (c) In the fiscal year ending September 30, 2010, 900,000  
5 acres.

6 (d) In the fiscal year ending September 30, 2011 and each  
7 fiscal year thereafter, 1,200,000 acres.

8 (2) To claim an exemption under subsection (1), the owner of  
9 qualified forest property shall file an affidavit claiming the  
10 exemption, **TOGETHER WITH A \$25.00 APPLICATION FEE**, and an approved  
11 forest management plan or a certificate provided by a third-party  
12 certifying organization with the local tax collecting unit by  
13 December 31. An owner may claim an exemption under this section for  
14 not more than ~~320~~**640** acres of qualified forest property in each  
15 local tax collecting unit. If an exemption is granted under this  
16 section for less than ~~320~~**640** acres in a local tax collecting unit,  
17 an owner of that property may subsequently claim an exemption for  
18 additional property in that local tax collecting unit if that  
19 additional property meets the requirements of this section.

20 (3) The affidavit shall be on a form prescribed by the  
21 department of treasury and shall require the person submitting the  
22 affidavit to attest that the property for which the exemption is  
23 claimed is qualified forest property and will be managed according  
24 to the approved forest management plan.

25 (4) The assessor shall determine if the property is qualified  
26 forest property based on a recommendation from the department of  
27 natural resources **AND ENVIRONMENT** and confirmation that the acreage

1 limitation set forth in subsection (1) has not been reached and if  
2 so shall exempt the property from the collection of the tax as  
3 provided in subsection (1) until December 31 of the year in which  
4 the property is no longer qualified forest property.

5 (5) Not more than 90 days after all or a portion of the  
6 exempted property is no longer qualified forest property, the owner  
7 shall rescind the exemption for the applicable portion of the  
8 property by filing with the local tax collecting unit a rescission  
9 form prescribed by the department of treasury. An owner who fails  
10 to file a rescission as required by this subsection is subject to a  
11 penalty of \$5.00 per day for each separate failure beginning after  
12 the 90 days have elapsed, up to a maximum of \$1,000.00. This  
13 penalty shall be collected under 1941 PA 122, MCL 205.1 to 205.31,  
14 and shall be deposited in the general fund of this state.

15 (6) An owner of property that is qualified forest property on  
16 December 31 for which an exemption was not on the tax roll may file  
17 an appeal with the July or December board of review under section  
18 53b in the year the exemption was claimed or the immediately  
19 succeeding year. An owner of property that is qualified forest  
20 property on May 1 for which an exemption was denied by the assessor  
21 in the year the affidavit was filed may file an appeal with the  
22 July board of review for summer taxes or, if there is not a summer  
23 levy of school operating taxes, with the December board of review  
24 under section 53b.

25 (7) If the assessor of the local tax collecting unit believes  
26 that the property for which an exemption has been granted is not  
27 qualified forest property based on a recommendation from the

1 department of natural resources **AND ENVIRONMENT**, the assessor may  
2 deny or modify an existing exemption by notifying the owner in  
3 writing at the time required for providing a notice under section  
4 24c. A taxpayer may appeal the assessor's determination to the  
5 board of review meeting under section 30. A decision of the board  
6 of review may be appealed to the residential and small claims  
7 division of the Michigan tax tribunal.

8 (8) If property for which an exemption has been granted under  
9 this section is not qualified forest property, the property that  
10 had been subject to that exemption shall be immediately placed on  
11 the tax roll by the local tax collecting unit if the local tax  
12 collecting unit has possession of the tax roll or by the county  
13 treasurer if the county has possession of the tax roll as though  
14 the exemption had not been granted. A corrected tax bill shall be  
15 issued for each tax year being adjusted by the local tax collecting  
16 unit if the local tax collecting unit has possession of the tax  
17 roll or by the county treasurer if the county has possession of the  
18 tax roll.

19 (9) If property for which an exemption has been granted under  
20 this section is converted by a change in use and is no longer  
21 qualified forest property, the property is subject to the qualified  
22 forest property recapture tax levied under the qualified forest  
23 property recapture tax act, **2006 PA 379, MCL 211.1031 TO 211.1036**.  
24 An owner of qualified forest property shall inform a prospective  
25 buyer of that qualified forest property that the qualified forest  
26 property is subject to the recapture tax provided in the qualified  
27 forest property recapture tax act, **2006 PA 379, MCL 211.1031 TO**

1 211.1036, if the qualified forest property is converted by a change  
2 in use.

3 (10) If qualified forest property is exempt under this  
4 section, an owner of that qualified forest property shall annually  
5 report to the ~~department of natural resources~~ **ASSESSOR OF THE LOCAL**  
6 **TAX COLLECTING UNIT IN WHICH THE QUALIFIED FOREST PROPERTY IS**  
7 **LOCATED** on a form prescribed by the department of ~~natural resources~~  
8 **TREASURY** the amount of timber produced on that qualified forest  
9 property. ~~and whether any buildings or structures have been~~  
10 ~~constructed on the qualified forest property.~~ **ONE COPY OF THE**  
11 **REPORT SHALL BE RETAINED BY THE LOCAL TAX COLLECTING UNIT, AND 1**  
12 **COPY SHALL BE FORWARDED TO THE DEPARTMENT OF TREASURY.** Beginning in  
13 2008, and every 3 years thereafter, the department of ~~natural~~  
14 ~~resources~~ **TREASURY** shall provide to the standing committees of the  
15 senate and house of representatives with primary jurisdiction over  
16 forestry issues a report that includes all of the following:

17 (a) The number of acres of qualified forest property in each  
18 county.

19 (b) The amount of timber produced on qualified forest property  
20 each year.

21 (11) As used in this section:

22 (a) "Approved forest management plan" means 1 of the  
23 following:

24 (i) A forest management plan approved by the department of  
25 natural resources **AND ENVIRONMENT**. An owner of property may submit  
26 a proposed forest management plan to the department of natural  
27 resources **AND ENVIRONMENT** for approval. The proposed forest

management plan shall include a statement signed by the owner that he or she agrees to comply with all terms and conditions contained in the approved forest management plan. The department of natural resources **AND ENVIRONMENT** may charge a fee of not more than \$200.00 for the consideration of each proposed forest management plan submitted. ~~The~~ **IF A PROPOSED FOREST MANAGEMENT PLAN IS SUBMITTED TO THE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT FOR APPROVAL BETWEEN JANUARY 1 AND OCTOBER 1, THE** department of natural resources **AND ENVIRONMENT** shall review and either approve or disapprove each ~~THE~~ proposed forest management plan ~~submitted~~ **NOT LATER THAN DECEMBER 31 OR THE PROPOSED FOREST MANAGEMENT PLAN SHALL BE CONSIDERED APPROVED.** If the department of natural resources **AND ENVIRONMENT** disapproves a proposed forest management plan, the department of natural resources **AND ENVIRONMENT** shall indicate the changes necessary to qualify the proposed forest management plan for approval on subsequent review. At the request of the owner submitting a proposed forest management plan, the department of natural resources **AND ENVIRONMENT** may agree to complete a proposed forest management plan. An owner and the department of natural resources **AND ENVIRONMENT** may mutually agree to amend a proposed forest management plan or an approved forest management plan. A forest management plan submitted to the department of natural resources **AND ENVIRONMENT** for approval shall not extend beyond a period of 20 years. An owner of property may submit a succeeding proposed forest management plan to the department of natural resources **AND ENVIRONMENT** for approval.

(ii) A forest management plan certified by a third-party

1 certifying organization.

2 (b) "Converted by a change in use" means that term as defined  
3 in section 2 of the qualified forest property recapture tax act,  
4 **2006 PA 379, MCL 211.1032.**

5 (c) "Forest products" includes, but is not limited to, timber  
6 and pulpwood-related products.

7 (d) "Natural resources professional" and "registered forester"  
8 mean those terms as defined in section 51101 of the natural  
9 resources and environmental protection act, 1994 PA 451, MCL  
10 324.51101.

11 (e) "Proposed forest management plan" means a proposed plan  
12 for sustainable forest management that includes, but is not limited  
13 to, harvesting, planting, and regeneration of forest products on a  
14 parcel of property that is prepared by a qualified forester. A  
15 proposed forest management plan shall include all of the following:

16 (i) The name and address of each owner of the property.

17 (ii) The legal description and parcel identification number of  
18 the property or of the parcel on which the property is located.

19 (iii) A statement of the owner's forest management objectives.

20 (iv) A map, diagram, or aerial photograph that identified both  
21 forested and unforested areas of the property, using conventional  
22 map symbols indicating the species, size, and density of vegetation  
23 and other major features of the property.

24 (v) A description of the forestry practices, including  
25 harvesting, thinning, and reforestation, that will be undertaken,  
26 specifying the approximate period of time before each is completed.

27 (vi) A description of soil conservation practices that may be

necessary to control any soil erosion that may result from the forestry practices described pursuant to subparagraph (v).

(vii) A proposed forest management plan shall also include a description of activities that may be undertaken for the management of forest resources other than trees, including wildlife habitat, watersheds, and aesthetic features.

(f) "Qualified forest property" means a parcel of real property that meets all of the following conditions as determined by the department of ~~natural resources~~ **TREASURY**:

(i) Is not less than 20 contiguous acres in size, of which not less than 80% is productive forest capable of producing wood products. Contiguity is not broken by a road, a right-of-way, or property purchased or taken under condemnation proceedings by a public utility for power transmission lines if the 2 parcels separated by the purchased or condemned property were a single parcel prior to the sale or condemnation. As used in this subparagraph, "productive forest" means real property capable of growing not less than 20 cubic feet of wood per acre per year. However, if property has been considered productive forest, an act of God that negatively affects that property shall not result in that property not being considered productive forest.

(ii) Is stocked with forest products.

~~(iii) Has no buildings or structures located on the real property.~~

~~(iii) (iv)~~ Is subject to an approved forest management plan.

(g) "Qualified forester" means natural resources professional, a registered forester, or a conservation district forester.



1 (h) "Third-party certifying organization" means an independent  
2 third-party organization that assesses and evaluates forest  
3 management practices according to the standards of a certification  
4 program that measures whether forest management practices are  
5 consistent with principles of sustainable forestry. Third-party  
6 certifying organization includes, but is not limited to, the forest  
7 stewardship council and the sustainable forest initiative.

8 Sec. 27a. (1) Except as otherwise provided in this section,  
9 property shall be assessed at 50% of its true cash value under  
10 section 3 of article IX of the state constitution of 1963.

11 (2) Except as otherwise provided in subsection (3), for taxes  
12 levied in 1995 and for each year after 1995, the taxable value of  
13 each parcel of property is the lesser of the following:

14 (a) The property's taxable value in the immediately preceding  
15 year minus any losses, multiplied by the lesser of 1.05 or the  
16 inflation rate, plus all additions. For taxes levied in 1995, the  
17 property's taxable value in the immediately preceding year is the  
18 property's state equalized valuation in 1994.

19 (b) The property's current state equalized valuation.

20 (3) Upon a transfer of ownership of property after 1994, the  
21 property's taxable value for the calendar year following the year  
22 of the transfer is the property's state equalized valuation for the  
23 calendar year following the transfer.

24 (4) If the taxable value of property is adjusted under  
25 subsection (3), a subsequent increase in the property's taxable  
26 value is subject to the limitation set forth in subsection (2)  
27 until a subsequent transfer of ownership occurs. If the taxable

1 value of property is adjusted under subsection (3) and the assessor  
2 determines that there had not been a transfer of ownership, the  
3 taxable value of the property shall be adjusted at the July or  
4 December board of review. Notwithstanding the limitation provided  
5 in section 53b(1) on the number of years for which a correction may  
6 be made, the July or December board of review may adjust the  
7 taxable value of property under this subsection for the current  
8 year and for the 3 immediately preceding calendar years. A  
9 corrected tax bill shall be issued for each tax year for which the  
10 taxable value is adjusted by the local tax collecting unit if the  
11 local tax collecting unit has possession of the tax roll or by the  
12 county treasurer if the county has possession of the tax roll. For  
13 purposes of section 53b, an adjustment under this subsection shall  
14 be considered the correction of a clerical error.

15 (5) Assessment of property, as required in this section and  
16 section 27, is inapplicable to the assessment of property subject  
17 to the levy of ad valorem taxes within voted tax limitation  
18 increases to pay principal and interest on limited tax bonds issued  
19 by any governmental unit, including a county, township, community  
20 college district, or school district, before January 1, 1964, if  
21 the assessment required to be made under this act would be less  
22 than the assessment as state equalized prevailing on the property  
23 at the time of the issuance of the bonds. This inapplicability  
24 shall continue until levy of taxes to pay principal and interest on  
25 the bonds is no longer required. The assessment of property  
26 required by this act shall be applicable for all other purposes.

27 (6) As used in this act, "transfer of ownership" means the

1 conveyance of title to or a present interest in property, including  
2 the beneficial use of the property, the value of which is  
3 substantially equal to the value of the fee interest. Transfer of  
4 ownership of property includes, but is not limited to, the  
5 following:

6 (a) A conveyance by deed.

7 (b) A conveyance by land contract. The taxable value of  
8 property conveyed by a land contract executed after December 31,  
9 1994 shall be adjusted under subsection (3) for the calendar year  
10 following the year in which the contract is entered into and shall  
11 not be subsequently adjusted under subsection (3) when the deed  
12 conveying title to the property is recorded in the office of the  
13 register of deeds in the county in which the property is located.

14 (c) A conveyance to a trust after December 31, 1994, except if  
15 the settlor or the settlor's spouse, or both, conveys the property  
16 to the trust and the sole present beneficiary or beneficiaries are  
17 the settlor or the settlor's spouse, or both.

18 (d) A conveyance by distribution from a trust, except if the  
19 distributee is the sole present beneficiary or the spouse of the  
20 sole present beneficiary, or both.

21 (e) A change in the sole present beneficiary or beneficiaries  
22 of a trust, except a change that adds or substitutes the spouse of  
23 the sole present beneficiary.

24 (f) A conveyance by distribution under a will or by intestate  
25 succession, except if the distributee is the decedent's spouse.

26 (g) A conveyance by lease if the total duration of the lease,  
27 including the initial term and all options for renewal, is more

1 than 35 years or the lease grants the lessee a bargain purchase  
2 option. As used in this subdivision, "bargain purchase option"  
3 means the right to purchase the property at the termination of the  
4 lease for not more than 80% of the property's projected true cash  
5 value at the termination of the lease. After December 31, 1994, the  
6 taxable value of property conveyed by a lease with a total duration  
7 of more than 35 years or with a bargain purchase option shall be  
8 adjusted under subsection (3) for the calendar year following the  
9 year in which the lease is entered into. This subdivision does not  
10 apply to personal property except buildings described in section  
11 14(6) and personal property described in section 8(h), (i), and  
12 (j). This subdivision does not apply to that portion of the  
13 property not subject to the leasehold interest conveyed.

14 (h) A conveyance of an ownership interest in a corporation,  
15 partnership, sole proprietorship, limited liability company,  
16 limited liability partnership, or other legal entity if the  
17 ownership interest conveyed is more than 50% of the corporation,  
18 partnership, sole proprietorship, limited liability company,  
19 limited liability partnership, or other legal entity. Unless  
20 notification is provided under subsection (10), the corporation,  
21 partnership, sole proprietorship, limited liability company,  
22 limited liability partnership, or other legal entity shall notify  
23 the assessing officer on a form provided by the state tax  
24 commission not more than 45 days after a conveyance of an ownership  
25 interest that constitutes a transfer of ownership under this  
26 subdivision.

27 (i) A transfer of property held as a tenancy in common, except

1 that portion of the property not subject to the ownership interest  
2 conveyed.

3 (j) A conveyance of an ownership interest in a cooperative  
4 housing corporation, except that portion of the property not  
5 subject to the ownership interest conveyed.

6 (7) Transfer of ownership does not include the following:

7 (a) The transfer of property from 1 spouse to the other spouse  
8 or from a decedent to a surviving spouse.

9 (b) A transfer from a husband, a wife, or a husband and wife  
10 creating or disjoining a tenancy by the entirety in the grantors  
11 or the grantor and his or her spouse.

12 (c) A transfer of that portion of property subject to a life  
13 estate or life lease retained by the transferor, until expiration  
14 or termination of the life estate or life lease. That portion of  
15 property transferred that is not subject to a life lease shall be  
16 adjusted under subsection (3).

17 (d) A transfer through foreclosure or forfeiture of a recorded  
18 instrument under chapter 31, 32, or 57 of the revised judicature  
19 act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701  
20 to 600.5759, or through deed or conveyance in lieu of a foreclosure  
21 or forfeiture, until the mortgagee or land contract vendor  
22 subsequently transfers the property. If a mortgagee does not  
23 transfer the property within 1 year of the expiration of any  
24 applicable redemption period, the property shall be adjusted under  
25 subsection (3).

26 (e) A transfer by redemption by the person to whom taxes are  
27 assessed of property previously sold for delinquent taxes.

1 (f) A conveyance to a trust if the settlor or the settlor's  
2 spouse, or both, conveys the property to the trust and the sole  
3 present beneficiary of the trust is the settlor or the settlor's  
4 spouse, or both.

5 (g) A transfer pursuant to a judgment or order of a court of  
6 record making or ordering a transfer, unless a specific monetary  
7 consideration is specified or ordered by the court for the  
8 transfer.

9 (h) A transfer creating or terminating a joint tenancy between  
10 2 or more persons if at least 1 of the persons was an original  
11 owner of the property before the joint tenancy was initially  
12 created and, if the property is held as a joint tenancy at the time  
13 of conveyance, at least 1 of the persons was a joint tenant when  
14 the joint tenancy was initially created and that person has  
15 remained a joint tenant since the joint tenancy was initially  
16 created. A joint owner at the time of the last transfer of  
17 ownership of the property is an original owner of the property. For  
18 purposes of this subdivision, a person is an original owner of  
19 property owned by that person's spouse.

20 (i) A transfer for security or an assignment or discharge of a  
21 security interest.

22 (j) A transfer of real property or other ownership interests  
23 among members of an affiliated group. As used in this subsection,  
24 "affiliated group" means 1 or more corporations connected by stock  
25 ownership to a common parent corporation. Upon request by the state  
26 tax commission, a corporation shall furnish proof within 45 days  
27 that a transfer meets the requirements of this subdivision. A

1 corporation that fails to comply with a request by the state tax  
2 commission under this subdivision is subject to a fine of \$200.00.

3 (k) Normal public trading of shares of stock or other  
4 ownership interests that, over any period of time, cumulatively  
5 represent more than 50% of the total ownership interest in a  
6 corporation or other legal entity and are traded in multiple  
7 transactions involving unrelated individuals, institutions, or  
8 other legal entities.

9 (l) A transfer of real property or other ownership interests  
10 among corporations, partnerships, limited liability companies,  
11 limited liability partnerships, or other legal entities if the  
12 entities involved are commonly controlled. Upon request by the  
13 state tax commission, a corporation, partnership, limited liability  
14 company, limited liability partnership, or other legal entity shall  
15 furnish proof within 45 days that a transfer meets the requirements  
16 of this subdivision. A corporation, partnership, limited liability  
17 company, limited liability partnership, or other legal entity that  
18 fails to comply with a request by the state tax commission under  
19 this subdivision is subject to a fine of \$200.00.

20 (m) A direct or indirect transfer of real property or other  
21 ownership interests resulting from a transaction that qualifies as  
22 a tax-free reorganization under section 368 of the internal revenue  
23 code, 26 USC 368. Upon request by the state tax commission, a  
24 property owner shall furnish proof within 45 days that a transfer  
25 meets the requirements of this subdivision. A property owner who  
26 fails to comply with a request by the state tax commission under  
27 this subdivision is subject to a fine of \$200.00.

1 (n) A transfer of qualified agricultural property, if the  
2 person to whom the qualified agricultural property is transferred  
3 files an affidavit with the assessor of the local tax collecting  
4 unit in which the qualified agricultural property is located and  
5 with the register of deeds for the county in which the qualified  
6 agricultural property is located attesting that the qualified  
7 agricultural property shall remain qualified agricultural property.  
8 The affidavit under this subdivision shall be in a form prescribed  
9 by the department of treasury. An owner of qualified agricultural  
10 property shall inform a prospective buyer of that qualified  
11 agricultural property that the qualified agricultural property is  
12 subject to the recapture tax provided in the agricultural property  
13 recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the  
14 qualified agricultural property is converted by a change in use. If  
15 property ceases to be qualified agricultural property at any time  
16 after being transferred, all of the following shall occur:

17 (i) The taxable value of that property shall be adjusted under  
18 subsection (3) as of the December 31 in the year that the property  
19 ceases to be qualified agricultural property.

20 (ii) The property is subject to the recapture tax provided for  
21 under the agricultural property recapture act, 2000 PA 261, MCL  
22 211.1001 to 211.1007.

23 (o) A transfer of qualified forest property, if the person to  
24 whom the qualified forest property is transferred files an  
25 affidavit with the assessor of the local tax collecting unit in  
26 which the qualified forest property is located and with the  
27 register of deeds for the county in which the qualified forest



1 property is located attesting that the qualified forest property  
2 shall remain qualified forest property. The affidavit under this  
3 subdivision shall be in a form prescribed by the department of  
4 treasury. **ONE COPY OF THE AFFIDAVIT SHALL BE RETAINED BY THE LOCAL**  
5 **TAX COLLECTING UNIT, AND 1 COPY SHALL BE FORWARDED TO THE**  
6 **DEPARTMENT OF TREASURY.** An owner of qualified forest property shall  
7 inform a prospective buyer of that qualified forest property that  
8 the qualified forest property is subject to the recapture tax  
9 provided in the qualified forest property recapture tax act, 2006  
10 PA 379, MCL 211.1031 to 211.1036, if the qualified forest property  
11 is converted by a change in use. If property ceases to be qualified  
12 forest property at any time after being transferred, all of the  
13 following shall occur:

14 (i) The taxable value of that property shall be adjusted under  
15 subsection (3) as of the December 31 in the year that the property  
16 ceases to be qualified forest property.

17 (ii) The property is subject to the recapture tax provided for  
18 under the qualified forest property recapture tax act, 2006 PA 379,  
19 MCL 211.1031 to 211.1036.

20 (p) Beginning on the effective date of the amendatory act that  
21 added this subdivision, a transfer of land, but not buildings or  
22 structures located on the land, which meets 1 or more of the  
23 following requirements:

24 (i) The land is subject to a conservation easement under  
25 subpart 11 of part 21 of the natural resources and environmental  
26 protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in  
27 this subparagraph, "conservation easement" means that term as

1 defined in section 2140 of the natural resources and environmental  
2 protection act, 1994 PA 451, MCL 324.2140.

3 (ii) A transfer of ownership of the land or a transfer of an  
4 interest in the land is eligible for a deduction as a qualified  
5 conservation contribution under section 170(h) of the internal  
6 revenue code, 26 USC 170.

7 (q) A transfer of real property or other ownership interests  
8 resulting from a consolidation or merger of a domestic nonprofit  
9 corporation that is a boy or girl scout or camp fire girls  
10 organization, a 4-H club or foundation, a young men's Christian  
11 association, or a young women's Christian association and at least  
12 50% of the members of that organization or association are  
13 residents of this state.

14 (8) If all of the following conditions are satisfied, the  
15 local tax collecting unit shall revise the taxable value of  
16 qualified agricultural property taxable on the tax roll in the  
17 possession of that local tax collecting unit to the taxable value  
18 that qualified agricultural property would have had if there had  
19 been no transfer of ownership of that qualified agricultural  
20 property since December 31, 1999 and there had been no adjustment  
21 of that qualified agricultural property's taxable value under  
22 subsection (3) since December 31, 1999:

23 (a) The qualified agricultural property was qualified  
24 agricultural property for taxes levied in 1999 and each year after  
25 1999.

26 (b) The owner of the qualified agricultural property files an  
27 affidavit with the assessor of the local tax collecting unit under

1 subsection (7)(n).

2 (9) If the taxable value of qualified agricultural property is  
3 adjusted under subsection (8), the owner of that qualified  
4 agricultural property shall not be entitled to a refund for any  
5 property taxes collected under this act on that qualified  
6 agricultural property before the adjustment under subsection (8).

7 (10) The register of deeds of the county where deeds or other  
8 title documents are recorded shall notify the assessing officer of  
9 the appropriate local taxing unit not less than once each month of  
10 any recorded transaction involving the ownership of property and  
11 shall make any recorded deeds or other title documents available to  
12 that county's tax or equalization department. Unless notification  
13 is provided under subsection (6), the buyer, grantee, or other  
14 transferee of the property shall notify the appropriate assessing  
15 office in the local unit of government in which the property is  
16 located of the transfer of ownership of the property within 45 days  
17 of the transfer of ownership, on a form prescribed by the state tax  
18 commission that states the parties to the transfer, the date of the  
19 transfer, the actual consideration for the transfer, and the  
20 property's parcel identification number or legal description. Forms  
21 filed in the assessing office of a local unit of government under  
22 this subsection shall be made available to the county tax or  
23 equalization department for the county in which that local unit of  
24 government is located. This subsection does not apply to personal  
25 property except buildings described in section 14(6) and personal  
26 property described in section 8(h), (i), and (j).

27 (11) As used in this section:

1 (a) "Additions" means that term as defined in section 34d.

2 (b) "Beneficial use" means the right to possession, use, and  
3 enjoyment of property, limited only by encumbrances, easements, and  
4 restrictions of record.

5 (c) "Converted by a change in use" means that term as defined  
6 in the agricultural property recapture act, 2000 PA 261, MCL  
7 211.1001 to 211.1007.

8 (d) "Inflation rate" means that term as defined in section  
9 34d.

10 (e) "Losses" means that term as defined in section 34d.

11 (f) "Qualified agricultural property" means that term as  
12 defined in section 7dd.

13 (g) "Qualified forest property" means that term as defined in  
14 section 7jj[1].