

SENATE BILL No. 1411

July 1, 2010, Introduced by Senator VAN WOERKOM and referred to the Committee on Education.

A bill to amend 1993 PA 331, entitled
"State education tax act,"
by amending section 3 (MCL 211.903), as amended by 2007 PA 38.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Beginning in 1994, except as otherwise provided in
2 ~~subsections (2) and (3)~~ **THIS SECTION**, there is levied a state
3 education tax on all property not exempt by law from ad valorem
4 property taxes or not subject to a tax under 1905 PA 282, MCL 207.1
5 to 207.21, at a rate of 6 mills.

6 (2) In 2003 only, there is levied a state education tax on all
7 property not exempt by law from ad valorem property taxes or not
8 subject to a tax under 1905 PA 282, MCL 207.1 to 207.21, at the
9 rate of 5 mills.

1 (3) For taxes levied after December 31, 2007, personal
2 property classified under section 34c of the general property tax
3 act, 1893 PA 206, MCL 211.34c, as industrial personal property is
4 exempt from the tax levied under this act.

5 (4) FOR TAXES LEVIED AFTER DECEMBER 31, 2010, IF 2 ELIGIBLE
6 INTERMEDIATE SCHOOL DISTRICTS REORGANIZE BY COMBINING UNDER SECTION
7 701 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.701, BY
8 ANNEXATION UNDER SECTION 702 OF THE REVISED SCHOOL CODE, 1976 PA
9 451, MCL 380.702, OR BY DISORGANIZATION UNDER SECTION 703 OF THE
10 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.703, FOR PROPERTY LOCATED
11 IN THE ELIGIBLE INTERMEDIATE SCHOOL DISTRICT THAT LEVIED THE LOWER
12 MILLAGE RATE BEFORE THE REORGANIZATION, THE TAX UNDER THIS ACT
13 SHALL BE REDUCED IN THE FOLLOWING MANNER:

14 (A) IN THE FIRST YEAR AFTER THE REORGANIZATION, BY AN AMOUNT
15 EQUAL TO THE DIFFERENCE BETWEEN THE MILLAGE LEVIED BY THE
16 INTERMEDIATE SCHOOL DISTRICT BEFORE REORGANIZATION AND AFTER
17 REORGANIZATION OR 6 MILLS, WHICHEVER IS LESS.

18 (B) IN THE SECOND YEAR AFTER REORGANIZATION, BY AN AMOUNT
19 EQUAL TO 75% OF THE DIFFERENCE BETWEEN THE MILLAGE LEVIED BY THE
20 INTERMEDIATE SCHOOL DISTRICT BEFORE REORGANIZATION AND AFTER
21 REORGANIZATION OR 6 MILLS, WHICHEVER IS LESS.

22 (C) IN THE THIRD YEAR AFTER REORGANIZATION, BY AN AMOUNT EQUAL
23 TO 50% OF THE DIFFERENCE BETWEEN THE MILLAGE LEVIED BY THE
24 INTERMEDIATE SCHOOL DISTRICT BEFORE REORGANIZATION AND AFTER
25 REORGANIZATION OR 6 MILLS, WHICHEVER IS LESS.

26 (D) IN THE FOURTH YEAR AFTER REORGANIZATION, BY AN AMOUNT
27 EQUAL TO 25% OF THE DIFFERENCE BETWEEN THE MILLAGE LEVIED BY THE

1 INTERMEDIATE SCHOOL DISTRICT BEFORE REORGANIZATION AND AFTER
2 REORGANIZATION OR 6 MILLS, WHICHEVER IS LESS.

3 (5) AS USED IN THIS SECTION, "ELIGIBLE INTERMEDIATE SCHOOL
4 DISTRICT" MEANS AN INTERMEDIATE SCHOOL DISTRICT IN WHICH ARE
5 LOCATED NOT MORE THAN 4 LOCAL SCHOOL DISTRICTS.