

HOUSE BILL No. 4540

April 11, 2013, Introduced by Rep. Stamas and referred to the Committee on Tax Policy.

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 6 and 7 (MCL 207.556 and 207.557), section 6 as amended by 1996 PA 323 and section 7 as amended by 2008 PA 457.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. The legislative body of the local governmental unit,
2 not more than 60 days after receipt by its clerk of the
3 application, shall by resolution either approve or disapprove the

1 application for an industrial facilities exemption certificate in
2 accordance with section 9 and the other provisions of this act. If
3 disapproved, the reasons shall be set forth in writing in the
4 resolution. If approved, the clerk shall forward the application to
5 the commission within 60 days of approval or before October 31 of
6 that year, whichever is first, **OR AS OTHERWISE PROVIDED IN SECTION**
7 **7** in order to receive the industrial facilities exemption
8 certificate effective for the following year. If disapproved, the
9 clerk shall return the application to the applicant. The applicant
10 may appeal the disapproval to the commission within 10 days after
11 the date of the disapproval.

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

1 December 31 following the date the certificate is issued. For a
2 speculative building or a portion of a speculative building, except
3 as otherwise provided in section 7a, the effective date of the
4 certificate is the immediately succeeding December 31 following the
5 date the speculative building, or the portion of a speculative
6 building, is used as a manufacturing facility.

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

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

21 (4) Notwithstanding any other provision of this act, if
22 pursuant to section 16a a local governmental unit passed a
23 resolution approving an industrial facilities exemption certificate
24 for a new facility on October 14, 2003 for a certificate that
25 expired in December 2002, the commission shall issue for that
26 property an industrial facilities exemption certificate that begins
27 on December 30, 2002 and ends December 30, 2009.

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

13 (6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, IF ON
14 JULY 23, 2012, A LOCAL GOVERNMENTAL UNIT PASSED A RESOLUTION
15 APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR A NEW
16 FACILITY, BUT THE APPLICATION WAS NOT MADE COMPLETE UNTIL 2013, THE
17 COMMISSION SHALL ISSUE FOR THAT PROPERTY AN INDUSTRIAL FACILITIES
18 EXEMPTION CERTIFICATE THAT BEGINS ON DECEMBER 30, 2012 AND ENDS
19 DECEMBER 30, 2024.

20 (7) IF THE COMMISSION RECEIVES AN APPLICATION UNDER THIS ACT
21 FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR A NEW
22 FACILITY OR A REPLACEMENT FACILITY, BUT THE APPLICATION IS NOT MADE
23 COMPLETE UNTIL AFTER DECEMBER 31 OF THE YEAR IN WHICH THE
24 APPLICATION IS RECEIVED BY THE COMMISSION, THE COMMISSION MAY ISSUE
25 FOR THAT PROPERTY AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
26 THAT HAS AN EFFECTIVE DATE OF DECEMBER 30 OF THE IMMEDIATELY
27 PRECEDING YEAR.

1 (8) IF AN ERROR OR MISTAKE IN AN APPLICATION FOR AN INDUSTRIAL
2 FACILITIES EXEMPTION CERTIFICATE IS DISCOVERED AFTER THE LOCAL
3 GOVERNMENTAL UNIT HAS PASSED A RESOLUTION APPROVING THE APPLICATION
4 OR AFTER THE COMMISSION HAS ISSUED A CERTIFICATE FOR THE
5 APPLICATION, AN APPLICANT MAY SUBMIT AN AMENDED APPLICATION IN THE
6 SAME MANNER AS AN ORIGINAL APPLICATION UNDER THIS ACT THAT CORRECTS
7 THE ERROR OR MISTAKE. THE LEGISLATIVE BODY OF THE LOCAL
8 GOVERNMENTAL UNIT AND THE COMMISSION MAY APPROVE OR DENY THE
9 AMENDED APPLICATION. IF THE COMMISSION PREVIOUSLY ISSUED A
10 CERTIFICATE FOR THE ORIGINAL APPLICATION AND APPROVES AN AMENDED
11 APPLICATION UNDER THIS SUBSECTION, THE COMMISSION SHALL ISSUE AN
12 AMENDED CERTIFICATE FOR THE AMENDED APPLICATION WITH THE SAME
13 EFFECTIVE DATE AS THE ORIGINAL CERTIFICATE.