

# HOUSE BILL No. 5639

June 5, 2014, Introduced by Rep. Oakes and referred to the Committee on Commerce.

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 2011 PA 154, section 4 as amended by 2004 PA 437, section 7 as amended by 2008 PA 457, section 9 as amended by 2012 PA 490, and section 10 as amended by 1996 PA 1.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2. (1) "Commission" means the state tax commission  
2       created by 1927 PA 360, MCL 209.101 to 209.107.

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

4       (3) "Next Michigan development corporation" means that term as  
5 defined in section 3 of the next Michigan development act, 2010 PA  
6 275, MCL 125.2953.

7       (4) "Replacement facility" means 1 of the following:

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

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

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

27       (6) "Local governmental unit" means a city, village, township,

1 or next Michigan development corporation located in this state. For  
2 purposes of this act, if a next Michigan development corporation  
3 establishes a plant rehabilitation district or an industrial  
4 development district, the next Michigan development corporation  
5 shall act as the local governmental unit in establishing and  
6 operating the plant rehabilitation district or the industrial  
7 development district.

8 (7) "Industrial property" means land improvements, buildings,  
9 structures, and other real property, and machinery, equipment,  
10 furniture, and fixtures or any part or accessory whether completed  
11 or in the process of construction comprising an integrated whole,  
12 the primary purpose and use of which is the engaging in a high-  
13 technology activity, operation of a strategic response center,  
14 operation of a motorsports entertainment complex, operation of a  
15 logistical optimization center, operation of qualified commercial  
16 activity, operation of a major distribution and logistics facility,  
17 the manufacture of goods or materials, creation or synthesis of  
18 biodiesel fuel, or the processing of goods and materials by  
19 physical or chemical change; property acquired, constructed,  
20 altered, or installed due to the passage of proposal A in 1976; the  
21 operation of a hydro-electric dam by a private company other than a  
22 public utility; or agricultural processing facilities. Industrial  
23 property includes facilities related to a manufacturing operation  
24 under the same ownership, including, but not limited to, office,  
25 engineering, research and development, warehousing, or parts  
26 distribution facilities. Industrial property also includes research  
27 and development laboratories of companies other than those

1 companies that manufacture the products developed from their  
2 research activities and research development laboratories of a  
3 manufacturing company that are unrelated to the products of the  
4 company. For applications approved by the legislative body of a  
5 local governmental unit between June 30, 1999 and December 31,  
6 2007, industrial property also includes an electric generating  
7 plant that is not owned by a local unit of government, including,  
8 but not limited to, an electric generating plant fueled by biomass.  
9 For an industrial development district created before July 1, 2010,  
10 industrial property also includes an electric generating plant that  
11 is fueled by biomass that is not owned by a unit of local  
12 government if the electric generating plant involves the reuse of a  
13 federal superfund site remediated by the United States  
14 environmental protection agency and an independent study has  
15 concluded that the electric generating plant would not have an  
16 adverse effect on wood supply of the area from which the wood  
17 supply of the electric generating plant would be derived. An  
18 electric generating plant described in the preceding sentence is  
19 presumed not to have an adverse impact on the wood supply of the  
20 area from which the wood supply of the electric generating plant  
21 would be derived if the company has a study funded by the United  
22 States department of energy and managed by the department of  
23 energy, labor, and economic growth that concludes that the electric  
24 generating plant will consume not more than 7.5% of the annual wood  
25 growth within a 60-mile radius of the electric generating plant.  
26 Industrial property also includes convention and trade centers in  
27 which construction begins not later than December 31, 2010 and is

1 over 250,000 square feet in size or, if located in a county with a  
2 population of more than 750,000 and less than 1,100,000, is over  
3 100,000 square feet in size or, if located in a county with a  
4 population of more than 26,000 and less than 28,000, is over 30,000  
5 square feet in size. Industrial property also includes a federal  
6 reserve bank operating under 12 USC 341, located in a city with a  
7 population of 600,000 or more. Industrial property may be owned or  
8 leased. However, in the case of leased property, the lessee is  
9 liable for payment of ad valorem property taxes and shall furnish  
10 proof of that liability. For purposes of a local governmental unit  
11 that is a next Michigan development corporation, industrial  
12 property includes only property used in the operation of an  
13 eligible next Michigan business, as that term is defined in section  
14 3 of the Michigan economic growth authority act, 1995 PA 24, MCL  
15 207.803. Industrial property does not include any of the following:

16 (a) Land.

17 (b) Property of a public utility other than an electric  
18 generating plant that is not owned by a local unit of government as  
19 provided in this subsection.

20 (c) Inventory.

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

24 (9) "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 (10) "Research and development laboratories" means building  
4 and 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 (11) "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 (12) "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 (13) "Logistical optimization center" means a sorting and  
22 distribution center that optimizes transportation and uses just-in-  
23 time inventory management and material handling.

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

27 (15) "Qualified commercial activity" means commercial property

1 that meets all of the following:

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

6 (b) Occupies a building or structure that is greater than  
7 100,000 square feet in size.

8 (16) "Motorsports entertainment complex" means a closed-course  
9 motorsports facility, and its ancillary grounds and facilities,  
10 that satisfies all of the following:

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

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

15 (c) Serves food and beverages at the facility during  
16 sanctioned events each calendar year through concession outlets, a  
17 majority of which are staffed by individuals who represent or are  
18 members of 1 or more nonprofit civic or charitable organizations  
19 that directly financially benefit from the concession outlets'  
20 sales.

21 (d) Engages in tourism promotion.

22 (e) Has permanent exhibitions of motorsports history, events,  
23 or vehicles.

24 (17) "Major distribution and logistics facility" means a  
25 proposed distribution center that meets all of the following:

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

27 (b) Has or will have an assessed value of \$5,000,000.00 or

1 more for the real property.

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

3 (d) Has as its purpose the distribution of inventory and  
4 materials to facilities owned by the taxpayer whose primary  
5 business is the retail sale of sporting goods and related  
6 inventory.

7 (18) "EXISTING FACILITY" MEANS INDUSTRIAL PROPERTY THAT IS NOT  
8 A REPLACEMENT FACILITY, A NEW FACILITY, OR A SPECULATIVE BUILDING  
9 AND MEETS 1 OR MORE OF THE FOLLOWING:

10 (A) HAS BEEN VACANT FOR A PERIOD OF 3 OR MORE YEARS  
11 IMMEDIATELY PRECEDING THE DATE OF THE APPLICATION.

12 (B) HAS BECOME VACANT BECAUSE THE MOST RECENT OCCUPANT IS  
13 SUBJECT TO A BANKRUPTCY PROCEEDING.

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

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

26 (3) Except as provided in section 9(2)(h), after December 31,  
27 1983, a request for the establishment of a proposed plant



1 rehabilitation district or industrial development district shall be  
2 filed only in connection with a proposed replacement facility or  
3 new facility, the construction, acquisition, alteration, or  
4 installation of or for which has not commenced at the time of the  
5 filing of the request. The legislative body of a local governmental  
6 unit shall not establish a plant rehabilitation district or an  
7 industrial development district pursuant to subsection (2) if it  
8 finds that the request for the district was filed after the  
9 commencement of construction, alteration, or installation of, or of  
10 an acquisition related to, the proposed replacement facility or new  
11 facility. This subsection shall not apply to a speculative building  
12 **OR AN EXISTING FACILITY.**

13 (4) Before adopting a resolution establishing a plant  
14 rehabilitation district or industrial development district, the  
15 legislative body shall give written notice by certified mail to the  
16 owners of all real property within the proposed plant  
17 rehabilitation district or industrial development district and  
18 shall hold a public hearing on the establishment of the plant  
19 rehabilitation district or industrial development district at which  
20 those owners and other residents or taxpayers of the local  
21 governmental unit shall have a right to appear and be heard.

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

27 (6) A plant rehabilitation district or industrial development

1 district established by a township shall be only within the  
2 unincorporated territory of the township and shall not be within a  
3 village.

4 (7) Industrial property that is part of an industrial  
5 development district or a plant rehabilitation district may also be  
6 part of a tax increment district established under the tax  
7 increment finance authority act, 1980 PA 450, MCL 125.1801 to  
8 125.1830.

9 (8) A local governmental unit, by resolution of its  
10 legislative body, may terminate a plant rehabilitation district or  
11 an industrial development district, if there are no industrial  
12 facilities exemption certificates in effect in the plant  
13 rehabilitation district or the industrial development district on  
14 the date of the resolution to terminate.

15 (9) Before acting on a proposed resolution terminating a plant  
16 rehabilitation district or an industrial development district, the  
17 local governmental unit shall give at least 14 days' written notice  
18 by certified mail to the owners of all real property within the  
19 plant rehabilitation district or industrial development district as  
20 determined by the tax records in the office of the assessor or the  
21 treasurer of the local tax collecting unit in which the property is  
22 located and shall hold a public hearing on the termination of the  
23 plant rehabilitation district or industrial development district at  
24 which those owners and other residents or taxpayers of the local  
25 governmental unit, or others, shall have a right to appear and be  
26 heard.

27 Sec. 7. (1) Within 60 days after receipt of an approved

1 application or an appeal of a disapproved application that was  
2 submitted to the commission before October 31 of that year, the  
3 commission shall determine whether the facility is a speculative  
4 building, **AN EXISTING FACILITY**, or designed and acquired primarily  
5 for the purpose of restoration or replacement of obsolete  
6 industrial property or the construction of new industrial property,  
7 and whether the facility otherwise complies with section 9 and with  
8 the other provisions of this act. If the commission so finds, it  
9 shall issue an industrial facilities exemption certificate. Before  
10 issuing a certificate the commission shall notify the state  
11 treasurer of the application and shall obtain the written  
12 concurrence of the department of energy, labor, and economic growth  
13 that the application complies with the requirements in section 9.  
14 Except as otherwise provided in section 7a, the effective date of  
15 the certificate for a replacement facility, **AN EXISTING FACILITY**,  
16 or **A** new facility is the immediately succeeding December 31  
17 following the date the certificate is issued. For a speculative  
18 building or a portion of a speculative building, except as  
19 otherwise provided in section 7a, the effective date of the  
20 certificate is the immediately succeeding December 31 following the  
21 date the speculative building, or the portion of a speculative  
22 building, is used as a manufacturing facility.

23 (2) The commission shall send an industrial facilities  
24 exemption certificate, when issued, by mail to the applicant, and a  
25 certified copy by mail to the assessor of the assessing unit in  
26 which the facility is located or to be located, and that copy shall  
27 be filed in his or her office. Notice of the commission's refusal

1 to issue a certificate shall be sent by mail to the same persons.

2 (3) Notwithstanding any other provision of this act, if on  
3 December 29, 1986 a local governmental unit passed a resolution  
4 approving an exemption certificate for 10 years for real and  
5 personal property but the commission did not receive the  
6 application until 1992 and the application was not made complete  
7 until 1995, then the commission shall issue, for that property, an  
8 industrial facilities exemption certificate that begins December  
9 30, 1987 and ends December 30, 1997.

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

17 (5) Notwithstanding any other provision of this act, if on or  
18 before February 10, 2007 a local governmental unit passed a  
19 resolution approving an amendment of an industrial facilities  
20 exemption certificate for a replacement facility and that  
21 certificate was revoked by the commission effective December 30,  
22 2005 with the order of revocation issued by the commission on April  
23 10, 2006, notwithstanding the revocation, the commission shall  
24 retroactively amend the certificate and give full effect to the  
25 amended certificate, which shall include the additional personal  
26 property expenditures described in the resolution amending the  
27 certificate, for the period of time beginning when the certificate

1 was originally approved until the certificate was revoked.

2       Sec. 9. (1) The legislative body of the local governmental  
3 unit, in its resolution approving an application, shall set forth a  
4 finding and determination that the granting of the industrial  
5 facilities exemption certificate, considered together with the  
6 aggregate amount of industrial facilities exemption certificates  
7 previously granted and currently in force, shall not have the  
8 effect of substantially impeding the operation of the local  
9 governmental unit or impairing the financial soundness of a taxing  
10 unit that levies an ad valorem property tax in the local  
11 governmental unit in which the facility is located or to be  
12 located. If the state equalized valuation of property proposed to  
13 be exempt pursuant to an application under consideration,  
14 considered together with the aggregate state equalized valuation of  
15 property exempt under certificates previously granted and currently  
16 in force, exceeds 5% of the state equalized valuation of the local  
17 governmental unit, the commission, with the approval of the state  
18 treasurer, shall make a separate finding and shall include a  
19 statement in the order approving the industrial facilities  
20 exemption certificate that exceeding that amount shall not have the  
21 effect of substantially impeding the operation of the local  
22 governmental unit or impairing the financial soundness of an  
23 affected taxing unit.

24       (2) Except for an application for a speculative building,  
25 which is governed by subsection (4), **OR FOR AN APPLICATION FOR AN**  
26 **EXISTING FACILITY**, the legislative body of the local governmental  
27 unit shall not approve an application and the commission shall not

1 grant an industrial facilities exemption certificate unless the  
2 applicant complies with all of the following requirements:

3 (a) The commencement of the restoration, replacement, or  
4 construction of the facility occurred not earlier than 12 months  
5 before the filing of the application for the industrial facilities  
6 exemption certificate. If the application is not filed within the  
7 12-month period, the application may be filed within the succeeding  
8 12-month period and the industrial facilities exemption certificate  
9 shall in this case expire 1 year earlier than it would have expired  
10 if the application had been timely filed. This subdivision does not  
11 apply for applications filed with the local governmental unit after  
12 December 31, 1983.

13 (b) For applications made after December 31, 1983, the  
14 proposed facility shall be located within a plant rehabilitation  
15 district or industrial development district that was duly  
16 established in a local governmental unit eligible under this act to  
17 establish a district and that was established upon a request filed  
18 or by the local governmental unit's own initiative taken before the  
19 commencement of the restoration, replacement, or construction of  
20 the facility.

21 (c) For applications made after December 31, 1983, the  
22 commencement of the restoration, replacement, or construction of  
23 the facility occurred not earlier than 6 months before the filing  
24 of the application for the industrial facilities exemption  
25 certificate.

26 (d) The application relates to a construction, restoration, or  
27 replacement program that when completed constitutes a new or

1 replacement facility within the meaning of this act and that shall  
2 be situated within a plant rehabilitation district or industrial  
3 development district duly established in a local governmental unit  
4 eligible under this act to establish the district.

5 (e) Completion of the facility is calculated to, and will at  
6 the time of issuance of the certificate have the reasonable  
7 likelihood to create employment, retain employment, prevent a loss  
8 of employment, or produce energy in the community in which the  
9 facility is situated.

10 (f) Completion of the facility does not constitute merely the  
11 addition of machinery and equipment for the purpose of increasing  
12 productive capacity but rather is primarily for the purpose and  
13 will primarily have the effect of restoration, replacement, or  
14 updating the technology of obsolete industrial property. An  
15 increase in productive capacity, even though significant, is not an  
16 impediment to the issuance of an industrial facilities exemption  
17 certificate if other criteria in this section and act are met. This  
18 subdivision does not apply to a new facility.

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

25 (h) The provisions of subdivisions (b) and (c) and section  
26 4(3) do not apply to 1 or more of the following:

27 (i) A facility located in an industrial development district

1 owned by a person who filed an application for an industrial  
2 facilities exemption certificate in October 1995 for construction  
3 that was commenced in July 1992 in a district that was established  
4 by the legislative body of the local governmental unit in July  
5 1994. An industrial facilities exemption certificate described in  
6 this subparagraph shall expire as provided in section 16(3).

7 (ii) A facility located in an industrial development district  
8 that was established in January 1994 and was owned by a person who  
9 filed an application for an industrial facilities exemption  
10 certificate in February 1994 if the personal property and real  
11 property portions of the application were approved by the  
12 legislative body of the local governmental unit and the personal  
13 property portion of the application was approved by the state tax  
14 commission in December 1994 and the real property portion of the  
15 application was denied by the state tax commission in December  
16 1994. An industrial facilities exemption certificate described in  
17 this subparagraph shall expire as provided in section 16(3).

18 (iii) A facility located in an industrial development district  
19 that was established in December 1995 and was owned by a person who  
20 filed an application for an industrial facilities exemptions  
21 certificate in November or December 1995 for construction that was  
22 commenced in September 1995.

23 (iv) A facility located in an industrial development district  
24 owned by a person who filed an application for an industrial  
25 facilities exemption certificate in July 2001 for construction that  
26 was commenced in February 2001 in a district that was established  
27 by the legislative body of the local governmental unit in September



1 2001. An industrial facilities exemption certificate described in  
2 this subparagraph shall expire as provided in section 16. The  
3 facility described in this subparagraph shall be taxed under this  
4 act as if it was granted an industrial facilities exemption  
5 certificate in October 2001, and a corrected tax bill shall be  
6 issued by the local tax collecting unit if the local tax collecting  
7 unit has possession of the tax roll or by the county treasurer if  
8 the county has possession of the tax roll. If granting the  
9 industrial facilities exemption certificate under this subparagraph  
10 results in an overpayment of the tax, a rebate, including any  
11 interest and penalties paid, shall be made to the taxpayer by the  
12 local tax collecting unit if the local tax collecting unit has  
13 possession of the tax roll or by the county treasurer if the county  
14 has possession of the tax roll within 30 days of the date the  
15 exemption is granted. The rebate shall be without interest.

16 (v) A facility located in an industrial development district  
17 owned by a person who filed an application for an industrial  
18 facilities exemption certificate in December 2005 for construction  
19 that was commenced in September 2005 in a district that was  
20 established by the legislative body of the local governmental unit  
21 in December 2005. An industrial facilities exemption certificate  
22 described in this subparagraph shall expire as provided in section  
23 16.

24 (vi) A facility located in an existing industrial development  
25 district owned by a person who filed or amended an application for  
26 an industrial facilities exemption certificate for real property in  
27 July 2006 if the application was approved by the legislative body

1 of the local governmental unit in September 2006 but not submitted  
2 to the state tax commission until September 2006.

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

10 (viii) A new facility located in an industrial development  
11 district that was established by the legislative body of the local  
12 governmental unit in September of 2007 for construction that was  
13 commenced in March 2007 and for which an application for an  
14 industrial facilities exemption certificate was filed in September  
15 of 2007.

16 (ix) A facility located in an industrial development district  
17 that was established by the legislative body of the local  
18 governmental unit in August 2007 and was owned by a person who  
19 filed an application for an industrial facilities exemption  
20 certificate in June 2007 for equipment that was purchased in  
21 January 2007.

22 (x) A facility located in an industrial development district  
23 that otherwise meets the criteria of this act that has received  
24 written approval from the chairperson of the Michigan economic  
25 growth authority.

26 (xi) A new facility located in an industrial development  
27 district that was established by the legislative body of the local

1 governmental unit in August of 2008 for construction that was  
2 commenced in December 2005 and certificate of occupancy issued in  
3 September 2006 for which an application for an industrial  
4 facilities exemption certificate was filed in August of 2008.

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

10 (xiii) A facility located in an industrial development district  
11 that was established by the legislative body of the local  
12 governmental unit in December 2007 for construction that was  
13 commenced in September 2007 and a certificate of occupancy issued  
14 in September 2008 for which an application for an industrial  
15 facilities exemption certificate was approved in May of 2008.

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

18 (i) A new facility located in an existing industrial  
19 development district owned by a person who filed an application for  
20 an industrial facilities exemption certificate in October 1993 if  
21 the application was approved by the legislative body of the local  
22 governmental unit and the real property portion of the application  
23 was denied by the state tax commission in December 1993.

24 (ii) A new facility located in an existing industrial  
25 development district owned by a person who filed an application for  
26 an industrial facilities exemption certificate in September 1993 if  
27 the personal property portion of the application was approved by

1 the legislative body of the local governmental unit and the real  
2 property portion of the application was denied by the legislative  
3 body of the local governmental unit in October 1993 and  
4 subsequently approved by the legislative body of the local  
5 governmental unit in September 1994.

6 (iii) 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 August 1993 if the  
9 application was approved by the local governmental unit in  
10 September 1993 and the application was denied by the state tax  
11 commission in December 1993.

12 (iv) A facility located in an existing industrial development  
13 district occupied by a person who filed an application for an  
14 industrial facilities exemption certificate in June of 1995 if the  
15 application was approved by the legislative body of the local  
16 governmental unit in October of 1995 for construction that was  
17 commenced in November or December of 1994.

18 (v) A facility located in an existing industrial development  
19 district owned by a person who filed an application for an  
20 industrial facilities exemption certificate in June of 1995 if the  
21 application was approved by the legislative body of the local  
22 governmental unit in July of 1995 and the personal property portion  
23 of the application was approved by the state tax commission in  
24 November of 1995.

25 (j) If the facility is locating in a plant rehabilitation  
26 district or an industrial development district from another  
27 location in this state, the owner of the facility is not delinquent

1 in any of the taxes described in section 10(1)(a) of the Michigan  
2 renaissance zone act, 1996 PA 376, MCL 125.2690, or substantially  
3 delinquent in any of the taxes described in and as provided under  
4 section 10(1)(b) of the Michigan renaissance zone act, 1996 PA 376,  
5 MCL 125.2690.

6 (3) If the replacement facility when completed will not be  
7 located on the same premises or contiguous premises as the obsolete  
8 industrial property, then the applicant shall make provision for  
9 the obsolete industrial property by demolition, sale, or transfer  
10 to another person with the effect that the obsolete industrial  
11 property shall within a reasonable time again be subject to  
12 assessment and taxation under the general property tax act, 1893 PA  
13 206, MCL 211.1 to 211.155, or be used in a manner consistent with  
14 the general purposes of this act, subject to approval of the  
15 commission.

16 (4) The legislative body of the local governmental unit shall  
17 not approve an application and the commission shall not grant an  
18 industrial facilities exemption certificate that applies to a  
19 speculative building unless the speculative building is or is to be  
20 located in a plant rehabilitation district or industrial  
21 development district duly established by a local governmental unit  
22 eligible under this act to establish a district; the speculative  
23 building was constructed less than 9 years before the filing of the  
24 application for the industrial facilities exemption certificate;  
25 the speculative building has not been occupied since completion of  
26 construction; and the speculative building otherwise qualifies  
27 under subsection (2)(e) for an industrial facilities exemption

1 certificate. An industrial facilities exemption certificate granted  
2 under this subsection shall expire as provided in section 16(3).

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

9 (6) Notwithstanding any other provision of this act, if on  
10 December 29, 1986 a local governmental unit passed a resolution  
11 approving an exemption certificate for 10 years for real and  
12 personal property but the commission did not receive the  
13 application until 1992 and the application was not made complete  
14 until 1995, then the commission shall issue, for that property, an  
15 industrial facilities exemption certificate that begins December  
16 30, 1987 and ends December 30, 1997. The facility described in this  
17 subsection shall be taxed under this act as if it was granted an  
18 industrial facilities exemption certificate on December 30, 1987.

19 (7) Notwithstanding any other provision of this act, if a  
20 local governmental unit passed a resolution approving an industrial  
21 facilities exemption certificate for a new facility on July 8, 1991  
22 but rescinded that resolution and passed a resolution approving an  
23 industrial facilities exemption certificate for that same facility  
24 as a replacement facility on October 21, 1996, the commission shall  
25 issue for that property an industrial facilities exemption  
26 certificate that begins December 30, 1991 and ends December 2003.  
27 The replacement facility described in this subsection shall be

1   taxed under this act as if it was granted an industrial facilities  
2   exemption certificate on December 30, 1991.

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

11       (9) Notwithstanding section 16a and any other provision of  
12  this act, if a local governmental unit passed a resolution  
13  approving an industrial facilities exemption certificate for a new  
14  facility on October 28, 1996 for a certificate that expired in  
15  December 2003 and the local governmental unit passes a resolution  
16  approving the extension of the certificate after December 2003 and  
17  before March 1, 2006, the commission shall issue for that property  
18  an industrial facilities exemption certificate that begins on  
19  December 30, 2005 and ends December 30, 2010 as long as the  
20  property continues to qualify under this act.

21       (10) Notwithstanding any other provision of this act, if the  
22  commission issued an industrial facilities exemption certificate  
23  for a new facility on December 8, 1998 but revoked that industrial  
24  facilities exemption certificate for that same facility effective  
25  December 30, 2006 and that new facility is purchased by a buyer on  
26  or before November 1, 2007, the commission shall issue for that  
27  property an industrial facilities exemption certificate that begins

1 December 31, 1998 and ends December 30, 2010 and shall transfer  
2 that industrial facilities exemption certificate to the buyer. The  
3 new facility described in this subsection shall be taxed under this  
4 act as if it was granted an industrial facilities exemption  
5 certificate effective on December 31, 1998.

6 (11) Notwithstanding any other provision of this act, if the  
7 commission issued industrial facilities exemption certificates for  
8 new facilities on October 30, 2002, September 9, 2003, and November  
9 30, 2005 but revoked the industrial facilities exemption  
10 certificates for the same facilities effective December 30, 2007  
11 and the new facilities continue to qualify under this act, the  
12 commission shall issue for the properties industrial facilities  
13 exemption certificates which end respectively on December 30, 2008,  
14 December 30, 2009, and December 30, 2011.

15 (12) Notwithstanding any other provision of this act, if in  
16 August 2008 a local governmental unit passed a resolution approving  
17 an exemption certificate for 12 years for real and personal  
18 property but the commission did not receive the application until  
19 2008, then the commission shall issue, for that property, an  
20 industrial facilities exemption certificate that begins December  
21 31, 2006 and ends December 30, 2018. The facility described in this  
22 subsection shall be taxed under this act as if it had been granted  
23 an industrial facilities exemption certificate on December 31,  
24 2006.

25 (13) Notwithstanding any other provision of this act, if in  
26 September 2011 or October 2011 a local governmental unit passed a  
27 resolution approving an exemption certificate for 12 years for



1 personal property but the commission did not receive the  
2 application until November 2011 and the commission approved the  
3 applications in May 2012, then the commission shall issue, for that  
4 property, an industrial facilities exemption certificate that  
5 begins December 31, 2011 and ends December 30, 2023. The facility  
6 described in this subsection shall be taxed under this act as if it  
7 had been granted an industrial facilities exemption certificate on  
8 December 31, 2011.

9 (14) BEGINNING DECEMBER 30, 2015, THE LEGISLATIVE BODY OF A  
10 LOCAL GOVERNMENTAL UNIT SHALL NOT APPROVE AN APPLICATION AND THE  
11 COMMISSION SHALL NOT GRANT AN INDUSTRIAL FACILITIES EXEMPTION  
12 CERTIFICATE FOR AN EXISTING FACILITY.

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).