

# SENATE BILL No. 641

December 3, 2015, Introduced by Senator SHIRKEY and referred to the Committee on Michigan Competitiveness.

A bill to amend 1905 PA 282, entitled

"An act to provide for the assessment of the property, by whomsoever owned, operated or conducted, of railroad companies, union station and depot companies, telegraph companies, telephone companies, sleeping car companies, express companies, car loaning companies, stock car companies, refrigerator car companies, and fast freight companies, and all other companies owning, leasing, running or operating any freight, stock, refrigerator, or any other cars, not being exclusively the property of any railroad company paying taxes upon its rolling stock under the provisions of this act, over or upon the line or lines of any railroad or railroads in this state, and for the levy of taxes thereon by a state board of assessors, and for the collection of such taxes, and to repeal all acts or parts of acts contravening any of the provisions of this act,"

by amending sections 4 and 5 (MCL 207.4 and 207.5), as amended by 2002 PA 610.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 4. (1) The state board of assessors shall annually  
2       determine the true cash value and taxable value of property having  
3       a situs in this state of all of the following:

1 (a) Railroad companies.

2 (b) Union station and depot companies.

3 (c) Telegraph companies.

4 (d) Telephone companies.

5 (e) Sleeping car companies.

6 (f) Express companies.

7 (g) Car loaning companies.

8 (h) Stock car companies.

9 (i) Refrigerator car companies.

10 (j) Fast freight line companies.

11 (k) All other companies owning, leasing, running, or operating  
12 any freight, stock, refrigerator, or any other cars not the  
13 exclusive property of a railroad company paying taxes on its  
14 rolling stock under this act, over or on the line or lines of any  
15 railroad in this state.

16 (2) For tax years that begin after December 31, 2005, the  
17 state board of assessors shall annually determine the true cash  
18 value and taxable value of property having a situs in this state of  
19 telegraph companies and telephone companies in the same manners as  
20 property assessed under the general property tax act, 1893 PA 206,  
21 MCL 211.1 to ~~211.157~~.**211.155**.

22 (3) The property of a telegraph and telephone company with  
23 gross receipts within this state for a year ending December 31 of  
24 not more than \$1,000.00 is exempt from taxation under this act.

25 (4) All telegraph and telephone companies doing business in  
26 this state shall make the report required under section 6.

27 Sec. 5. (1) As used in this act, "property" means 1 of the

1 following:

2 (a) Except as otherwise provided in subdivision (b), all  
3 property, real or personal, belonging to the persons, corporations,  
4 companies, copartnerships, and associations subject to taxation  
5 under this act, including rights-of-way, road beds, stations, cars,  
6 rolling stock, tracks, wagons, horses, office furniture, telegraph  
7 and telephone poles, wires, conduits, switchboards, all other  
8 property used in carrying on their business and owned by them  
9 respectively, all other real and personal property, and all  
10 franchises. Franchises shall not be directly assessed, but shall be  
11 considered in determining the value of the other property. Property  
12 does not include, apply to, or subject to taxation property or real  
13 property owned and capable of being conveyed by the persons,  
14 corporations, companies, copartnerships, and associations subject  
15 to taxation under this act that is not actually occupied in the  
16 exercise of their franchises, or in use in the operation and  
17 conduct of their business.

18 (b) For telegraph companies and telephone companies only, for  
19 tax years that begin after December 31, 2005, only property that  
20 would be subject to the collection of taxes under the general  
21 property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~, **211.155**, if  
22 that property were not subject to taxation under this act **AND TO**  
23 **THE EXTENT THAT THE PROPERTY IS EXEMPT FROM TAXATION UNDER THE**  
24 **GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155, THAT**  
25 **PROPERTY IS EXEMPT FROM TAXATION UNDER THIS ACT.**

26 (2) Real property exempt from the tax levied under this act  
27 under subsection (1) is subject to taxation in the same manner, for

1 the same purposes, to the same extent, and subject to the same  
2 conditions and limitations as other real property in the townships  
3 or municipalities in which that property is located.

4 (3) As used in this act, the terms "company", "corporation",  
5 "copartnership", "association", and "person" apply to and shall be  
6 construed as referring to the following:

7 (a) A railroad company, union station and depot company,  
8 telegraph company, telephone company, sleeping car company, express  
9 company, car loaning company, stock car company, refrigerator or  
10 fast freight line company, or any other companies owning, leasing,  
11 running, or operating any freight cars, stock cars, refrigerator  
12 cars, or any other cars, not the exclusive property of a railroad  
13 company paying taxes upon its rolling stock under this act, over or  
14 upon the line or lines of any railroad or railroads in this state.

15 (b) A firm, joint stock association, copartnership,  
16 corporation, or other association or person engaged in carrying on  
17 any business, the tangible property of which is subject to taxation  
18 under this act.

19 (4) As used in this act, "property having a situs in this  
20 state," includes all of the following:

21 (a) Except as otherwise provided in subdivision (b), the  
22 property, real and personal, of the persons, corporations,  
23 companies, copartnerships, and associations subject to taxation  
24 under this act, owned, used, and occupied by them within this  
25 state, and also the proportion of their rolling stock, cars, and  
26 other property used partly within and partly outside of this state  
27 as provided in this act.

1           (b) For telegraph companies and telephone companies only, for  
2 tax years that begin after December 31, 2005, only the tangible  
3 property, real and personal, owned, used, and occupied by them  
4 within this state.