



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 306 (as reported without amendment)
Sponsor: Senator Peter MacGregor
Committee: Economic and Small Business Development

CONTENT

The bill would amend Chapter 1 (Principal Shopping District) and Chapter 2 (Business Improvement Zone) of Public Act 120 of 1961, which authorizes the development of principal shopping districts and business improvement zones, to modify the definition of "assessable property".

Specifically, under Chapter 1, "assessable property" means real property in a district area other than the following: 1) property owned by the Federal, a state, or a local unit of government where property is exempt from the collection of taxes under the General Property Tax Act, and 2) one or more classes of property owners whose property is exempt from the collection of taxes under the General Property Tax Act other than property previously identified, and as a class has been determined by the legislative body of the local governmental unit not to be benefited by a project for which special assessments are to be levied.

The term also means real property in a district area other than property classified as residential real property under the General Property Tax Act. Under the bill, instead, the term would include real property in a district area other than property classified as residential real property under the General Property Tax Act unless the local governmental unit expressly designated property classified as residential real property as assessable property as part of its special assessment proceedings.

Chapter 2 defines "assessable property" as real property in a zone area other than property classified as residential real property under the General Property Tax Act or real property exempt from the collection of taxes under that Act. Under the bill, the term would mean one or more of the following: 1) real property in a zone area other than real property exempt from the collection of taxes under the General Property Tax Act, and 2) real property in a zone area classified as residential real property under the General Property Tax Act, only if the one plan for the zone area designated property classified as residential real property in the zone area as assessable property under the zone plan.

MCL 125.981 & 125.990

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have no fiscal impact on the State and no net fiscal impact on local governments. The distribution of assessments would change in any district that chose to include residential real property as assessable property, but such a change would not affect the total amount of revenue assessed for the district.

Date Completed: 6-10-19

Fiscal Analyst: Ryan Bergan

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Bill Analysis @ www.senate.michigan.gov/sfa

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