



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 1153 (Substitute S-1 as reported)
Sponsor: Senator Peter MacGregor
Committee: Economic and Small Business Development

CONTENT

The bill would amend the General Property Tax Act to exempt from the collection of taxes under the Act any new personal property comprising a fully automated consumer goods handling system that occupied at least 190,000 square feet of a facility owned, leased, or used by a wholesaler beginning January 1, 2021.

Proposed MCL 211.9h

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill would have a negative fiscal impact on the State and local governments. An additional exemption from personal property taxation would reduce local property tax revenue and State School Aid Fund (SAF) revenue from the State Education Tax, and increase the State cost of the foundation allowance, if the per pupil foundation allowance were maintained. The General Fund is required to reimburse the SAF for lost revenue and additional costs of the personal property tax exemptions. The reduction would depend on the taxable value of the exempted personal property and the millage rates of the affected jurisdictions.

Date Completed: 12-3-20

Fiscal Analyst: Ryan Bergan