

# **HOUSE BILL NO. 4465**

April 16, 2019, Introduced by Rep. Rabhi and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 9i (MCL 211.9i), as added by 2002 PA 549.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        Sec. 9i. (1) ~~Alternative Subject to subsection (2)~~,  
2 ~~alternative~~ energy personal property is exempt from the collection  
3 of taxes under this act as provided in this section.  
4        ~~(2) If the Michigan next energy authority certifies~~  
5 ~~alternative energy personal property as eligible for the exemption~~  
6 ~~under this section as provided in the Michigan next energy~~



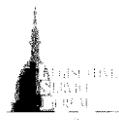
1 authority act, the Michigan next energy authority shall forward a  
2 copy of that certification to all of the following:

3 (a) The secretary of the local school district in which the  
4 alternative energy personal property is located.

5 (b) The treasurer of the local tax collecting unit in which  
6 the alternative energy personal property is located.

7 (3) Within 60 days after receipt of the certification of  
8 alternative energy personal property under subsection (2), the  
9 school board for the local school district in which the alternative  
10 energy personal property is located, with the written concurrence  
11 of the superintendent of the local school district, may adopt a  
12 resolution to not exempt that alternative energy personal property  
13 from a tax levied in that local school district under section 1212  
14 of the revised school code, 1976 PA 451, MCL 380.1212, or a tax  
15 levied under the revised school code, 1976 PA 451, MCL 380.1 to  
16 380.1852, to retire outstanding bonded indebtedness. If a  
17 resolution is adopted under this subsection, a copy of the  
18 resolution shall be forwarded to the Michigan next energy  
19 authority, to the treasurer of the local tax collecting unit, and  
20 to the state treasurer. If a resolution is not adopted under this  
21 subsection, that alternative energy personal property is exempt  
22 from a tax levied in that local school district under section 1212  
23 of the revised school code, 1976 PA 451, MCL 380.1212, or a tax  
24 levied under the revised school code, 1976 PA 451, MCL 380.1 to  
25 380.1852, to retire outstanding bonded indebtedness, for the period  
26 provided in subsection (5).

27 (4) Within 60 days after receipt of the certification of  
28 alternative energy personal property under subsection (2), the  
29 governing body of the local tax collecting unit in which the



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1 alternative energy personal property is located may adopt a  
2 resolution to not exempt that alternative energy personal property  
3 from the taxes collected in that local tax collecting unit, except  
4 taxes collected under sections 1211 and 1212 of the revised school  
5 code, 1976 PA 451, MCL 380.1211 and 380.1212, a tax levied under  
6 the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to  
7 retire outstanding bonded indebtedness, or the tax levied by this  
8 state under the state education tax act, 1993 PA 331, MCL 211.901  
9 to 211.906. The clerk of the local tax collecting unit shall notify  
10 in writing the assessor of the local tax collecting unit in which  
11 the alternative energy personal property is located and the  
12 legislative body of each taxing unit that levies ad valorem  
13 property taxes in that local tax collecting unit in which the  
14 alternative energy personal property is located. Notice of the  
15 meeting at which the resolution will be considered shall be  
16 provided as required under the open meetings act, 1976 PA 267, MCL  
17 15.261 to 15.275. Before acting on the resolution, the governing  
18 body of the local tax collecting unit shall afford the assessor and  
19 a representative of the affected taxing units an opportunity for a  
20 hearing. If a resolution is adopted under this subsection, a copy  
21 of the resolution shall be forwarded to the Michigan next energy  
22 authority and to the state treasurer. If a resolution is not  
23 adopted under this subsection, that alternative energy personal  
24 property is exempt from the taxes collected in that local tax  
25 collecting unit for the period provided in subsection (5), except  
26 as otherwise provided in this section.

27 (2) (5) The exemption under this section applies to taxes  
28 levied the following:

29 (a) Taxes levied on alternative energy personal property after



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1 December 31, 2002 and before January 1, 2013.

2       (b) Taxes levied on that category of alternative energy  
3 personal property described in subsection (3)(a)(i) after the  
4 effective date of the amendatory act that added this subdivision,  
5 without regard to ownership of the alternative energy personal  
6 property, provided that all of the following conditions are met:

7           (i) The alternative energy personal property has a generating  
8 capacity of not more than 150 kilowatts and is used solely to  
9 offset all or a portion of the commercial or industrial energy  
10 usage of the person upon whose real property the alternative energy  
11 personal property is located.

12           (ii) If installed after the effective date of the amendatory  
13 act that added this subparagraph, the alternative energy personal  
14 property has a true cash value that, when combined with the true  
15 cash value of all personal property exempt under section 9o as  
16 eligible personal property of the person claiming the exemption  
17 under this section or a related entity, equals less than  
18 \$80,000.00.

19       (3) (6)—As used in this section:

20           (a) "Alternative energy personal property" means all of the  
21 following:

22           (i) An alternative energy system.

23           (ii) An alternative energy vehicle.

24           (iii) All personal property of an alternative energy technology  
25 business.

26           (iv) The personal property of a business that is not an  
27 alternative energy technology business that is used solely for the  
28 purpose of researching, developing, or manufacturing an alternative  
29 energy technology.



1                   (b) "Alternative energy system", "alternative energy vehicle",  
2   "alternative energy technology", and "alternative energy technology  
3 business" mean those terms as defined in the Michigan next energy  
4 authority act, **2002 PA 593, MCL 207.821 to 207.827.**

