

HOUSE BILL NO. 4068

January 17, 2019, Introduced by Rep. Kahle 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~~

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

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

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

~~(3) Within 60 days after receipt of the certification of alternative energy personal property under subsection (2), the school board for the local school district in which the alternative energy personal property is located, with the written concurrence of the superintendent of the local school district, may adopt a resolution to not exempt that alternative energy personal property from a tax levied in that local school district under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, or a tax levied under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to retire outstanding bonded indebtedness. If a resolution is adopted under this subsection, a copy of the resolution shall be forwarded to the Michigan next energy authority, to the treasurer of the local tax collecting unit, and to the state treasurer. If a resolution is not adopted under this subsection, that alternative energy personal property is exempt from a tax levied in that local school district under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, or a tax levied under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to retire outstanding bonded indebtedness, for the period provided in subsection (5).~~

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

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

~~(2) (5)~~—The exemption under this section applies to taxes levied **the following:**

(a) Taxes levied on alternative energy personal property after

December 31, 2002 and before January 1, 2013.

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

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

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

(3) ~~(6)~~—As used in this section:

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

(i) An alternative energy system.

(ii) An alternative energy vehicle.

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

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

5 Enacting section 1. This amendatory act does not take effect
6 unless Senate Bill No.____ or House Bill No. 4069 (request no.
7 01166'19) of the 100th Legislature is enacted into law.