

SENATE BILL NO. 455

August 28, 2019, Introduced by Senators STAMAS and MACGREGOR and referred to the Committee on Economic and Small Business Development.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7ff (MCL 211.7ff), as amended by 2005 PA 165.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7ff. (1) For taxes levied after 1996, except as otherwise
2 provided in subsections (2) and (3) and except as limited in
3 subsections (4), (5), and (6), real property in a renaissance zone
4 and personal property located in a renaissance zone is exempt from
5 ~~taxes collected~~ **the collection of taxes** under this act to the
6 extent and for the duration provided ~~pursuant to~~ **under** the Michigan

1 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

2 (2) ~~Real~~ **Except as otherwise provided in subsection (7), real**
3 and personal property in a renaissance zone is not exempt from
4 collection of the following:

5 (a) A special assessment levied by the local tax collecting
6 unit in which the property is located.

7 (b) Ad valorem property taxes specifically levied for the
8 payment of principal and interest of obligations approved by the
9 electors or obligations pledging the unlimited taxing power of the
10 local governmental unit.

11 (c) A tax levied under section 705, 1211c, or 1212 of the
12 revised school code, 1976 PA 451, MCL 380.705, 380.1211c, and
13 380.1212.

14 (3) Real property in a renaissance zone on which a casino is
15 operated and personal property of a casino located in a renaissance
16 zone is not exempt from the collection of taxes under this act. As
17 used in this subsection, "casino" means a casino regulated by this
18 state ~~pursuant to~~ **under** the Michigan gaming control and revenue
19 act, ~~the Initiated Law of 1996,~~ **1996 IL 1**, MCL 432.201 to 432.226,
20 and all property associated or affiliated with the operation of a
21 casino, including, but not limited to, a parking lot, hotel, motel,
22 or retail store.

23 (4) For residential rental property in a renaissance zone, the
24 exemption provided under this section is only available if that
25 residential rental property is in substantial compliance with all
26 applicable state and local zoning, building, and housing laws,
27 ordinances, or codes and either of the following occurs:

28 (a) The property owner files an affidavit before December 31
29 in the immediately preceding tax year with the treasurer of the

1 local tax collecting unit in which the property is located stating
2 that the property is in substantial compliance with all applicable
3 state and local zoning, building, and housing laws, ordinances, or
4 codes.

5 (b) Beginning December 31, 2004, the qualified local
6 governmental unit in which the residential rental property is
7 located determines that the residential rental property is in
8 substantial compliance with all applicable state and local zoning,
9 building, and housing laws, ordinances, and codes on tax day as
10 provided in section 2. If the qualified local governmental unit in
11 which the residential rental property is located determines that
12 the residential rental property is in substantial compliance with
13 all applicable state and local zoning, building, and housing laws,
14 ordinances, and codes on tax day as provided in section 2, the
15 property owner is not required to file an affidavit under
16 subdivision (a).

17 (5) Except as otherwise provided in subsection (6), personal
18 property is exempt under this section if that property is located
19 in a renaissance zone on tax day as provided in section 2 and was
20 located in that renaissance zone for not less than 50% of the
21 immediately preceding tax year. The written statement required
22 under section 19 ~~shall~~**must** identify all personal property located
23 in a renaissance zone on tax day as provided in section 2 and ~~shall~~
24 **must** indicate whether that personal property was located in that
25 renaissance zone for 50% of the immediately preceding tax year.

26 (6) Personal property located in a renaissance zone on tax day
27 as provided in section 2 and located in that renaissance zone for
28 less than 50% of the immediately preceding tax year is exempt under
29 this section if an owner of the personal property files an

1 affidavit with the written statement required under section 19
 2 stating that the personal property will be located in that
 3 renaissance zone for not less than 50% of the tax year for which
 4 the exemption is claimed. The written statement required under
 5 section 19 ~~shall~~**must** identify all personal property located in
 6 that renaissance zone on tax day as provided in section 2 and
 7 identify that personal property for which an exemption is claimed
 8 under this subsection.

9 **(7) For taxes and assessments levied after December 31, 2016,**
 10 **subsection (2) does not apply to eligible data center property**
 11 **located at the site of a renaissance zone that was approved by the**
 12 **Michigan strategic fund with a minimum investment of**
 13 **\$100,000,000.00, and that eligible data center property is exempt**
 14 **from the following:**

15 (a) A special assessment levied by the local tax collecting
 16 unit in which the property is located.

17 (b) Ad valorem property taxes specifically levied for the
 18 payment of principal and interest of obligations approved by the
 19 electors or obligations pledging the unlimited taxing power of the
 20 local governmental unit.

21 (c) A tax levied under section 705, 1211c, or 1212 of the
 22 revised school code, 1976 PA 451, MCL 380.705, 380.1211c, and
 23 380.1212.

24 **(8) ~~(7)~~As used in this section:**

25 (a) "Data center equipment" and "qualified data center" mean
 26 those terms as defined in section 4ee of the general sales tax act,
 27 1933 PA 167, MCL 205.54ee, or section 4cc of the use tax act, 1937
 28 PA 94, MCL 205.94cc.

29 (b) "Eligible data center property" means the real property on

1 **which a qualified data center is located and all of its data center**
2 **equipment.**

3 (c) ~~(a)~~—"Qualified local governmental unit" means that term as
4 defined in section 3 of the Michigan renaissance zone act, 1996 PA
5 376, MCL 125.2683.

6 (d) ~~(b)~~—"Renaissance zone" means that area designated a
7 renaissance zone under the Michigan renaissance zone act, 1996 PA
8 376, MCL 125.2681 to 125.2696.

9 (e) ~~(c)~~—"Residential rental property" means that portion of
10 real property not occupied by an owner of that real property that
11 is classified as residential real property under section 34c, is a
12 multiple-unit dwelling, or is a dwelling unit in a multiple purpose
13 structure, used for residential purposes, and all personal property
14 located in that real property.