

SUBSTITUTE FOR  
HOUSE BILL NO. 6017

A bill to amend 1992 PA 147, entitled  
"Neighborhood enterprise zone act,"  
by amending section 11 (MCL 207.781), as amended by 2021 PA 44.

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

1       Sec. 11. (1) ~~Upon~~**On** receipt of a request by certified mail to  
2       the qualified assessing authority by the holder of a neighborhood  
3       enterprise zone certificate requesting revocation of the  
4       certificate, the qualified assessing authority by order shall  
5       revoke the certificate.

6       (2) ~~For certificates~~**A certificate** issued ~~prior to~~**before**  
7       January 1, 2017 ~~, the certificate shall expire~~**expires** if the owner  
8       fails to complete the filing requirements under section 10 within 2  
9       years of the date the certificate was issued. ~~For certificates~~**A**

**certificate** issued after December 31, 2016 ~~, the certificate shall~~  
~~expire~~ **expires** if the owner fails to complete the filing  
 requirements under section 10 within 3 years of the date the  
 certificate was issued. The holder of the certificate may request  
 in writing to the qualified assessing authority ~~by written request~~  
~~submitted at any time prior to~~ **before** the expiration of the  
 certificate or within 1 year of the expiration of the certificate,  
 a 1-year automatic extension of the deadlines provided in this  
 subsection if the owner has proceeded in good faith with the  
 construction or rehabilitation of the facility in a manner  
 consistent with the purposes of this act and the delay in  
 completion or occupancy by an owner is due to circumstances beyond  
 the control of the holder of the certificate. ~~For certificates~~  
~~issued prior to March 23, 2020, the~~ **The** holder of ~~the a~~ certificate  
**issued before March 23, 2020** may request in writing to the  
 qualified assessing authority ~~no~~ **not** later than ~~180 days of~~ **1 year**  
**after** the expiration of the certificate, a ~~180-day~~ **1-year** automatic  
 extension of deadlines provided in this subsection, in addition to  
 any extensions already exercised by the holder of the certificate.  
~~Upon~~ **On** request of the governing body of the local governmental  
 unit, the qualified assessing authority shall extend the  
 certificate if the new facility has not been occupied.

(3) The certificate for a homestead facility or new facility  
 is automatically revoked if the homestead facility or new facility  
 is no longer a homestead as that term is defined in section 7a of  
 the general property tax act, 1893 PA 206, MCL 211.7a. However, if  
 the owner or any subsequent owner submits a certificate before the  
 revocation is effective, the qualified assessing authority, ~~upon~~ **on**  
 application of the owner, shall rescind the order of revocation. If

1 the certificate is submitted after revocation of the certificate,  
2 the qualified assessing authority, ~~upon-on~~ application of the  
3 owner, shall reinstate the certificate for the remaining period of  
4 time for which the original certificate would have been in effect.

5 (4) If the owner of the facility fails to make the annual  
6 payment of the neighborhood enterprise zone tax and the ad valorem  
7 property tax on the land under the general property tax act, 1893  
8 PA 206, MCL 211.1 to 211.155, the qualified assessing authority by  
9 order shall revoke the certificate. However, if payment of these  
10 taxes is made before the revocation is effective, the qualified  
11 assessing authority, ~~upon-on~~ application of the owner, shall  
12 rescind the order of revocation. If payment of these taxes and any  
13 subsequent ad valorem property tax due on the facility is made  
14 after revocation of the certificate, the qualified assessing  
15 authority, ~~upon-on~~ application of the owner, shall reinstate the  
16 certificate for the remaining period of time for which the original  
17 certificate would have been in effect.

18 (5) If a homestead facility, a new facility, or a  
19 rehabilitated facility ceases to have as its primary purpose  
20 residential housing, the qualified assessing authority by order  
21 shall revoke the certificate for that facility. A new or  
22 rehabilitated facility does not cease to be used for its primary  
23 purpose if it is temporarily damaged or destroyed in whole or in  
24 part.

25 (6) If the governing body of a local governmental unit  
26 determines that a homestead facility, a new facility, or a  
27 rehabilitated facility is not in compliance with any local  
28 construction, building, or safety codes and notifies the qualified  
29 assessing authority by certified mail of the noncompliance, the

1 qualified assessing authority by order shall revoke the  
2 certificate.

3 (7) The revocation ~~shall be~~ **is** effective beginning the  
4 December 31 following the date of the order or, if the certificate  
5 is automatically revoked under subsection (3), the December 31  
6 following the automatic revocation. The qualified assessing  
7 authority shall send by certified mail copies of the order of  
8 revocation to the holder of the certificate and to the assessor of  
9 that local governmental unit, and to the legislative body of each  
10 taxing unit that levies taxes upon property in the local  
11 governmental unit in which the new facility or rehabilitated  
12 facility is located.