

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.