

# HOUSE BILL NO. 4641

April 15, 2021, Introduced by Rep. Marino and referred to the Committee on Commerce and Tourism.

A bill to amend 1992 PA 147, entitled  
"Neighborhood enterprise zone act,"  
by amending section 11 (MCL 207.781), as amended by 2020 PA 3.

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

1       Sec. 11. (1) Upon 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.

1           (2) For certificates issued prior to January 1, 2017, the  
2 certificate shall expire if the owner fails to complete the filing  
3 requirements under section 10 within 2 years of the date the  
4 certificate was issued. For certificates issued after December 31,  
5 2016, the certificate shall expire if the owner fails to complete  
6 the filing requirements under section 10 within 3 years of the date  
7 the certificate was issued. The holder of the certificate may  
8 request in writing to the qualified assessing authority by written  
9 request submitted at any time prior to the expiration of the  
10 certificate or within 1 year of the expiration of the certificate,  
11 a 1-year automatic extension of the deadlines provided in this  
12 subsection if the owner has proceeded in good faith with the  
13 construction or rehabilitation of the facility in a manner  
14 consistent with the purposes of this act and the delay in  
15 completion or occupancy by an owner is due to circumstances beyond  
16 the control of the holder of the certificate. **For certificates**  
17 **issued prior to March 23, 2020, the holder of the certificate may**  
18 **request in writing to the qualified assessing authority no later**  
19 **than 180 days of the expiration of the certificate, a 180-day**  
20 **automatic extension of deadlines provided in this subsection, in**  
21 **addition to any extensions already exercised by the holder of the**  
22 **certificate.** Upon request of the governing body of the local  
23 governmental unit, the qualified assessing authority shall extend  
24 the certificate if the new facility has not been occupied.

25           (3) The certificate for a homestead facility or new facility  
26 is automatically revoked if the homestead facility or new facility  
27 is no longer a homestead as that term is defined in section 7a of  
28 the general property tax act, 1893 PA 206, MCL 211.7a. However, if  
29 the owner or any subsequent owner submits a certificate before the

1 revocation is effective, the qualified assessing authority, upon  
2 application of the owner, shall rescind the order of revocation. If  
3 the certificate is submitted after revocation of the certificate,  
4 the qualified assessing authority, upon application of the owner,  
5 shall reinstate the certificate for the remaining period of time  
6 for which the original certificate would have been in effect.

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

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

27 (6) If the governing body of a local governmental unit  
28 determines that a homestead facility, a new facility, or a  
29 rehabilitated facility is not in compliance with any local

1 construction, building, or safety codes and notifies the qualified  
2 assessing authority by certified mail of the noncompliance, the  
3 qualified assessing authority by order shall revoke the  
4 certificate.

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