

# HOUSE BILL NO. 6017

April 14, 2022, Introduced by Rep. Bellino and referred to the Committee on Local Government and Municipal Finance.

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**

January 1, 2017 ~~, the certificate shall expire~~ **expires** if the owner fails to complete the filing requirements under section 10 within 2 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 **and 90 days** 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~~ **after** the expiration of the certificate, a 180-day 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

1 the owner or any subsequent owner submits a certificate before the  
2 revocation is effective, the qualified assessing authority, ~~upon-on~~  
3 application of the owner, shall rescind the order of revocation. If  
4 the certificate is submitted after revocation of the certificate,  
5 the qualified assessing authority, ~~upon-on~~ application of the  
6 owner, shall reinstate the certificate for the remaining period of  
7 time for which the original certificate would have been in effect.

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

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

28 (6) If the governing body of a local governmental unit  
29 determines that a homestead facility, a new facility, or a

1 rehabilitated facility is not in compliance with any local  
2 construction, building, or safety codes and notifies the qualified  
3 assessing authority by certified mail of the noncompliance, the  
4 qualified assessing authority by order shall revoke the  
5 certificate.

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