## Legislative Analysis



Phone: (517) 373-8080 http://www.house.mi.gov/hfa

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## EXCLUDE MUSEUM TAXES FROM TAX INCREMENT REVENUE

House Bill 5817 as introduced Sponsor: Rep. Tyrone Carter

**House Bill 5818 as introduced** 

Sponsor: Rep. Samantha Steckloff

**Committee: Regulatory Reform** 

**Complete to 6-17-24** 

## **SUMMARY:**

House Bills 5817 and 5818 would amend the Recodified Tax Increment Financing Act and the Brownfield Redevelopment Financing Act to exclude ad valorem or specific tax taxes levied under the History Museum Authorities Act from the definition of *tax increment revenues* under each act.

Each act allows specific authorities to capture the additional revenues from property taxes and other specific taxes in their jurisdiction that exceed a benchmark of revenue established when the authority was formed.<sup>1</sup>

The bills would amend the definitions of tax increment revenues to remove revenue from ad valorem or specific tax taxes levied under the History Museum Authorities Act from the taxes that can be captured by specific tax increment authorities.

These two bills are tie-barred to one another and to House Bill 4177, which would amend the History Museum Authorities Act to create a process to levy a millage to support the historical museums in Wayne County, and would not take effect unless all three bills are enacted.<sup>2</sup>

HB 5817: MCL 125.4201 et seq.

HB 5818: MCL 125.2652

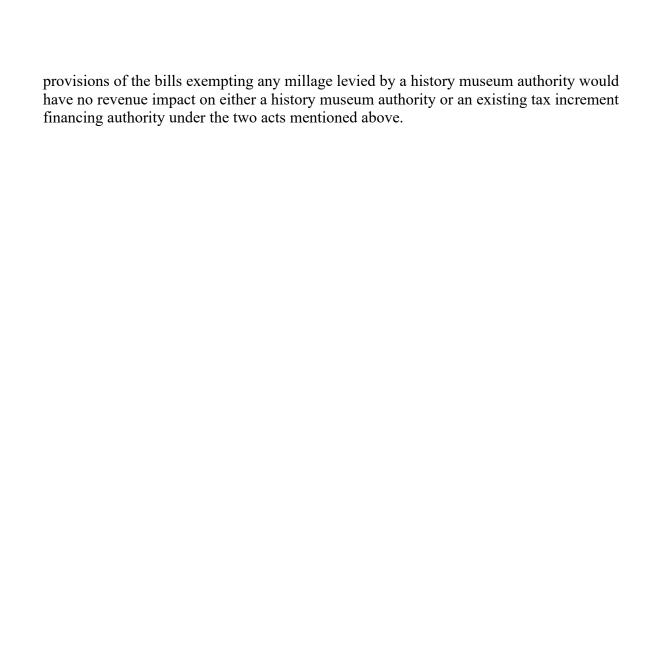
## **FISCAL IMPACT:**

House Bills 5817 and 5818 would have no direct fiscal impact on state or local government. The bills would exempt revenue generated from a millage levied under the proposed History Museum Authorities Act (HB 4711) from being captured as tax increment revenues under the Recodified Tax Increment Financing Act and the Brownfield Redevelopment Financing Act. However, because no history museum authority currently exists, the

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<sup>&</sup>lt;sup>1</sup> https://www.house.mi.gov/hfa/PDF/FiscalSnapshot/Tax\_Increment\_Financing\_Authority\_TIFs\_Jan2023.pdf

<sup>&</sup>lt;sup>2</sup> https://www.legislature.mi.gov/Bills/Bill?ObjectName=2023-HB-4177



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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.