COMMERCIAL REDEVELOPMENT ACT
Act 255 of 1978

AN ACT to provide for the establishment of commercial redevelopment districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide remedies and penalties.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

Compiler's note: For transfer of powers and duties under the commercial redevelopment act from the department of commerce to the chief executive officer of the Michigan jobs commission, see E.R.O. No. 1996-2, compiled at MCL 445.2001 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

207.651 Short title.

Sec. 1. This act shall be known and may be cited as the "commercial redevelopment act".

History: 1978, Act 255, Imd. Eff. June 21, 1978.

Compiler's note: For transfer of powers and duties under the commercial redevelopment act from the department of commerce to the chief executive officer of the Michigan jobs commission, see E.R.O. No. 1996-2, compiled at MCL 445.2001 of the Michigan Compiled Laws.

207.652 Meanings of words and phrases.

Sec. 2. For the purposes of this act, the words and phrases defined in sections 3 and 4 have the meanings ascribed to them in those sections.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.653 Meanings of words and phrases.

Sec. 3. (1) "Commercial facilities tax" means the specific tax levied under this act.

(2) "Commercial facilities exemption certificate" means a certificate issued pursuant to section 8.

(3) "Commercial property" means land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, whether completed or in the process of construction, the primary purpose and use of which is the operation of a commercial business enterprise and shall include office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities. Commercial business enterprise also includes a business that owns or operates a transit-oriented development or a transit-oriented facility. Commercial property does not include any of the following:

(a) Land.

(b) Property of a public utility.

(c) Housing, except that portion of a building containing nonhousing commercial activity.

(d) Financial organization. As used in this subdivision, "financial organization" means a bank, industrial bank, trust company, building and loan or savings and loan association, bank holding company as defined in 12 USC 1841, credit union, safety and collateral deposit company, regulated investment company as defined in the internal revenue code, and any other association, joint stock company, or corporation at least 90% of whose assets consist of intangible personal property and at least 90% of whose gross receipts income consists of dividends or interest or other charges resulting from the use of money or credit. The exclusion of financial institutions shall not apply to the otherwise included property of financial institutions which is located in the designated area of a city that is either the largest city in population within the county, as determined by the latest federal census; or is a city that had more than the median percentage for all cities in this state of its residents below the poverty line as determined by the latest federal census. Each city qualified to not be excluded under this subdivision shall designate only 1 commercial area for purposes of this provision, which area may be conterminous with, or included within, a commercial redevelopment district and in which area a majority of the land must be zoned commercially.

Commercial property may be owned or leased. If, in the case of leased property, the lessee is liable for payment of ad valorem property taxes, and furnishes proof of that liability, the lessee is eligible for the exemption. If the lessor is liable for payment of ad valorem property taxes and furnishes proof of that liability, the lessor is eligible for the exemption.

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(4) "Commercial redevelopment district" means an area of a local governmental unit established as provided in section 5.

(5) "Commission" means the state tax commission created by 1927 PA 360, MCL 209.101 to 209.107.

(6) "Facility" means a restored facility, a replacement facility, or a new facility.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1980, Act 407, Imd. Eff. Jan. 8, 1981;—Am. 2008, Act 227, Imd. Eff. July 17, 2008;—Am. 2010, Act 244, Imd. Eff. Dec. 14, 2010.

207.654 Definitions; L to T.

Sec. 4. (1) "Local governmental unit" means, except as otherwise provided in this subsection, a city, village, or township. For local governmental units designating a commercial redevelopment district after June 30, 2008, local governmental unit means a city or village.

(2) "New facility" means 1 of the following:

(a) Through June 30, 2008, new commercial property other than a replacement facility to be built in a redevelopment district.

(b) Beginning July 1, 2008, new commercial property other than a replacement facility to be built in a redevelopment district that meets all of the following:

(*i*) Is located on property that is zoned to allow for mixed use that includes high-density residential use.

(*ii*) Is located in a qualified downtown revitalization district as defined in section 2 of the neighborhood enterprise zone act, 1992 PA 147, MCL 207.772.

(*iii*) The local governmental unit in which the new facility is to be located does all of the following:

(A) Establishes and implements an expedited local permitting and inspection process in the commercial redevelopment district.

(B) By resolution provides for walkable nonmotorized interconnections, including sidewalks and streetscapes throughout the commercial redevelopment district.

(3) "Obsolete commercial property" means commercial property the condition of which is impaired due to changes in design, construction, technology, or improved production processes, or damage due to fire, natural disaster, or general neglect.

(4) "Replacement" means the complete or partial demolition of obsolete commercial property and the complete or partial reconstruction or installation of new property of similar utility.

(5) "Replacement facility" means 1 of the following:

(a) Through June 30, 2008, commercial property on the same or contiguous land within the district which land is or is to be acquired, constructed, altered, or installed for the purpose of being substituted for obsolete commercial property together with any part of the old altered property that remains for use as commercial property after the replacement.

(b) Beginning July 1, 2008, commercial property on the same or contiguous land within the district which land is or is to be acquired, constructed, altered, or installed for the purpose of being substituted for obsolete commercial property and any part of the old altered property that remains for use as commercial property after the replacement, that meets all of the following:

(*i*) Is located on property that is zoned to allow for mixed use that includes high-density residential use.

(*ii*) Is located in a qualified downtown revitalization district as defined in section 2 of the neighborhood enterprise zone act, 1992 PA 147, MCL 207.772.

(*iii*) The local governmental unit in which the replacement facility is to be located does all of the following:

(A) Establishes and implements an expedited local permitting and inspection process in the commercial redevelopment district.

(B) By resolution provides for walkable nonmotorized interconnections, including sidewalks and streetscapes throughout the commercial redevelopment district.

(6) "Restoration" means changes to obsolete commercial property other than replacement as may be required to restore the property, together with all appurtenances thereto, to an economically efficient condition. Restoration includes major renovation including but not limited to the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore the commercial property to an economically efficient condition. Restoration does not include improvements aggregating less than 10% of the true cash value of the property at commencement of the restoration of the commercial property.

(7) "Restored facility" means a facility that has undergone restoration.

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(8) "State equalized valuation" means the valuation determined under 1911 PA 44, MCL 209.1 to 209.8.

(9) "Transit-oriented development" means infrastructure improvements that are located within 1/2 mile of a transit station or transit-oriented facility that promotes transit ridership or passenger rail use.

(10) "Transit-oriented facility" means a facility that houses a transit station in a manner that promotes transit ridership or passenger rail use.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 2008, Act 227, Imd. Eff. July 17, 2008;—Am. 2010, Act 244, Imd. Eff. Dec. 14, 2010.

207.655 Commercial redevelopment district; establishment; resolution; notice; hearing; finding and determination; applicability of district established by township; exemption of restored facility; commercial property included as part of commercial redevelopment district also part of tax increment district.

Sec. 5. (1) A local governmental unit, by resolution of its legislative body, may establish a commercial redevelopment district, which may consist of 1 or more parcels or tracts of land or a portion thereof, if at the time of adoption of the resolution the property within the district is any of the following:

(a) Obsolete commercial property or cleared or vacant land which is part of an existing, developed commercial or industrial zone which has been zoned commercial or industrial for 3 years before June 21, 1978, and the area is or was characterized by obsolete commercial property and a decline in commercial activity.

(b) Land which has been cleared or is to be cleared as a result of major fire damage, or cleared or to be cleared as a blighted area under Act No. 344 of the Public Acts of 1945, as amended, being sections 125.71 to 125.84 of the Michigan Compiled Laws.

(c) Cleared or vacant land included within a redevelopment plan adopted by a downtown development authority pursuant to Act No. 197 of the Public Acts of 1975, as amended, being sections 125.1651 to 125.1680 of the Michigan Compiled Laws, or adopted by an urban redevelopment corporation pursuant to Act No. 250 of the Public Acts of 1941, as amended, being sections 125.901 to 125.922 of the Michigan Compiled Laws, or Act No. 120 of the Public Acts of 1961, being sections 125.981 to 125.986 of the Michigan Compiled Laws.

(d) Property which was owned by a local governmental unit on June 21, 1978, and subsequently conveyed to a private owner and zoned commercial.

(2) The legislative body of a local governmental unit may establish a commercial redevelopment district on its own initiative or upon a request filed by the owner or owners of 75% of the state equalized value of the commercial property located within a proposed district.

(3) Before adopting a resolution establishing a commercial redevelopment district, the legislative body shall give written notice by certified mail to the owners of all real property within the proposed commercial redevelopment district and shall afford an opportunity for a hearing on the establishment of the commercial redevelopment district at which any of those owners and any other resident or taxpayer of the local governmental unit may appear and be heard. The legislative body shall give public notice of the hearing not less than 10 nor more than 30 days before the date of the hearing.

(4) The legislative body of the local governmental unit, in its resolution establishing a commercial redevelopment district, shall set forth a finding and determination that the district meets the requirements set forth in subsection (1).

(5) A commercial redevelopment district established by a township shall be applicable only within the unincorporated territory of the township and shall not be applicable within a village located in that township.

(6) A restored facility included in an area covered by a tax increment financing plan adopted by a downtown development authority created under Act No. 197 of the Public Acts of 1975, as amended, shall be exempt from this act in a city with a population of 1,000,000 or more.

(7) Commercial property included as part of a commercial redevelopment district may also be part of a tax increment district established under the tax increment finance authority act.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1979, Act 27, Imd. Eff. June 6, 1979;—Am. 1980, Act 407, Imd. Eff. Jan. 8, 1981;—Am. 1980, Act 448, Imd. Eff. Jan. 15, 1981.

207.656 Application for commercial facilities exemption certificate; filing; contents; notice; hearing; determination of state equalized valuation of property owned by local governmental unit on June 21, 1978, and subsequently conveyed to private owner and zoned commercial.

Sec. 6. (1) The owner or lessee of a facility may file an application for a commercial facilities exemption certificate with the clerk of the local governmental unit that established the commercial redevelopment

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district. The application shall be filed in the manner and form prescribed by the commission. The application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the fixed building equipment which will be a part of the facility, a time schedule for undertaking and completing the restoration, replacement, or construction of the facility, a statement of the economic advantages expected from the exemption, including the number of jobs retained or created because of the exemption, including expected construction employment, and information relating to the requirements in section 10.

(2) Upon receipt of an application for a commercial facilities exemption certificate, the clerk of the local governmental unit shall notify in writing the assessor of the assessing unit in which the facility is located or to be located, and to the legislative body of each taxing unit which levies ad valorem property taxes in the local governmental unit in which the facility is located or to be located. Before acting upon the application, the legislative body of the local governmental unit shall hold a public hearing on the application and give public notice to the applicant, the assessor, a representative of the affected taxing jurisdictions, and the general public. The hearing on the application shall be held separately from the hearing on the establishment of the commercial redevelopment district.

(3) Upon receipt of an application for a commercial facility exemption certificate for a facility located on property which was owned by a local governmental unit on June 21, 1978, and subsequently conveyed to a private owner and zoned commercial, the clerk of the local governmental unit, in addition to the other requirements of this section, shall request the assessor of the assessing unit in which the facility is located or is to be located to determine the state equalized valuation of the property. This determination shall be made prior to the hearing on the application for a commercial facilities exemption certificate held pursuant to subsection (2).

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1980, Act 407, Imd. Eff. Jan. 8, 1981.

207.657 Application for commercial facilities exemption certificate; approval or disapproval.

Sec. 7. The legislative body of the local governmental unit, not more than 60 days after receipt of the application by the clerk, shall by resolution either approve or disapprove the application for a commercial facilities exemption certificate in accordance with section 10 and the other provisions of this act. The clerk shall retain the original of the application and resolution. If disapproved, the reasons shall be set forth in writing in the resolution, and the clerk shall send a copy of the resolution to the applicant.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.658 Commercial facilities exemption certificate; issuance; contents; effective date; filing; record.

Sec. 8. (1) Following approval of the application by the legislative body of the local governmental unit, the clerk of the local governmental unit shall issue to the applicant a commercial facilities exemption certificate in the form the commission determines which shall contain:

(a) A legal description of the real property on which the facility is or is to be located.

(b) A statement that unless revoked as provided in this act the certificate shall remain in force for the period stated in the certificate.

(c) In the case of a restored facility a statement of the state equalized valuation of the obsolete commercial property, separately stated for real and personal property, for the tax year immediately preceding the effective date of the certificate after deducting the state equalized valuation of the land and personal property other than personal property assessed pursuant to section 14(6) of Act No. 206 of the Public Acts of 1893, as amended.

(2) The effective date of the certificate shall be the December 31 next following the date of issuance of the certificate.

(3) The clerk of the local governmental unit shall file with the commission a copy of the commercial facilities exemption certificate and the commission shall maintain a record of all certificates filed.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.659 Exemption from ad valorem property taxes; duration of certificate; review and extension of certificate; limitation; date of issuance of certificate of occupancy; basis of review.

Sec. 9. (1) A facility for which a commercial facilities exemption certificate is in effect, but not the land on which the facility is located or to be located, or personal property other than personal property assessed pursuant to section 14(6) of the general property tax act, Act No. 206 of the Public Acts of 1893, as amended, being section 211.14 of the Michigan Compiled Laws, for the period on and after the effective date of the

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certificate and continuing so long as the commercial facilities exemption certificate is in force, is exempt from ad valorem property taxes. A lessee, occupant, user, or person in possession of the facility for the same period is exempt from ad valorem taxes imposed under Act No. 189 of the Public Acts of 1953, as amended, being sections 211.181 to 211.182 of the Michigan Compiled Laws.

(2) Unless earlier revoked as provided in section 15, a commercial facilities exemption certificate shall remain in force and effect for a period to be determined by the legislative body of the local governmental unit. The certificate may be issued for a period of at least 1 year, but not to exceed 12 years. If the number of years determined is less than 12, the certificate may be subject to review by the legislative body of the local governmental unit and the certificate may be extended. The total amount of time determined for the certificate including any extensions shall not exceed 12 years after the completion of the facility. The certificate shall commence with its effective date and end on the December 31 next following the last day of the number of years determined. The date of issuance of a certificate of occupancy, if required by appropriate authority, shall be the date of completion of the facility.

(3) If the number of years determined by the legislative body of the local governmental unit for the period a certificate remains in force is less than 12 years, the review of the certificate for the purpose of determining an extension shall be based upon factors, criteria and objectives that shall be placed in writing, approved at the time the certificate is approved by the legislative body of the local governmental unit and sent to the applicant and commission.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1984, Act 342, Imd. Eff. Dec. 27, 1984;—Am. 1993, Act 340, Eff. Mar. 15, 1994.

207.660 Finding and statement as to state equalized valuation of property proposed to be exempt; requirements for exemption certificate.

Sec. 10. (1) If the state equalized valuation of property proposed to be exempt pursuant to an application under consideration, considered together with the aggregate state equalized valuation of property exempt under certificates previously granted and currently in force under this act or Act No. 198 of the Public Acts of 1974, as amended, being sections 207.551 to 207.571 of the Michigan Compiled Laws, exceeds 5% of the state equalized valuation of the local governmental unit, the legislative body of the local governmental unit shall make a separate finding and shall include a statement in its resolution approving the application that exceeding that amount shall not have the effect of substantially impeding the operation of the local government unit or impairing the financial soundness of any affected taxing unit.

(2) The legislative body of the local governmental unit shall not approve an application for an exemption certificate unless the applicant complies with all of the following requirements:

(a) The commencement of the restoration, replacement, or construction of the facility does not occur before the establishment of the commercial redevelopment district. An application for an exemption certificate shall be valid if filed within 45 days after commencement of the restoration, replacement, or construction.

(b) The application relates to a construction, restoration, or replacement program which when completed constitutes a new, replacement, or restored facility within the meaning of this act and which shall be situated within a commercial redevelopment district established in a local governmental unit eligible under this act to establish such a district.

(c) Completion of the facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, or prevent a loss of employment in the community in which the facility is situated.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.661 Valuation of facilities and property by assessor.

Sec. 11. The assessor of each city or township in which there is a restored facility, a new facility or a replacement facility with respect to which 1 or more commercial facilities exemption certificates are issued and in force shall determine annually as of December 31 the value of each facility separately, having the benefit of the certificates and upon receipt of notice of the filing of an application for the issuance of a certificate, shall determine and furnish to the local legislative body the value of the property to which the application pertains and other information as may be necessary to permit the local legislative body to make the determinations required by section 10(1).

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.662 Commercial facilities tax; levy; amount; collection, disbursement, and assessment of tax; allocation; payment to state treasury and credit to state school aid fund; copy of

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amount of disbursement; facility located in renaissance zone; "casino" defined.

Sec. 12. (1) Except as provided in subsection (9), there is levied upon every owner of a new, replacement, or restored facility to which a commercial facilities exemption certificate is issued a specific tax to be known as the commercial facilities tax.

(2) The amount of the commercial facilities tax, in each year, for a restored facility shall be determined by multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is situated by the taxable value of the real property of the obsolete commercial property for the tax year immediately preceding the effective date of the commercial facilities exemption certificate after deducting the taxable value of the land and of personal property other than personal property assessed pursuant to section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14.

(3) The amount of the commercial facilities tax, in each year, for a new or replacement facility shall be determined by multiplying the taxable value of the facility excluding the land and personal property other than personal property assessed pursuant to section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14, by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, plus, subject to section 12a, the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(4) The commercial facilities tax shall be collected, disbursed, and assessed in accordance with this act.

(5) The commercial facilities tax is an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, are payable. Except as otherwise provided in this section, the officer or officers shall disburse the commercial facilities tax payments received each year to and among the state, cities, townships, villages, school districts, counties, and authorities, at the same times and in the same proportions as required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(6) Except as provided in subsection (7), for intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount that would otherwise be disbursed to or retained by the intermediate school district, all or a portion, to be determined on the basis of the tax rates being utilized to compute the amount of state school aid, shall be paid instead to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963. If the sum of any industrial facility taxes prescribed by 1974 PA 198, 207.551 to 207.572, and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund that would otherwise be disbursed to the local or intermediate school district, under section 11 of 1974 PA 198, MCL 207.561, and this section, exceeds the amount received by the local or intermediate school district under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, the department of treasury shall allocate to each eligible local or intermediate school district an amount equal to the difference between the sum of the industrial facility taxes and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund and the amount the local or intermediate school district received under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681. This subsection does not apply to taxes levied for either of the following:

(a) Mills allocated to an intermediate school district for operating purposes as provided for under the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a.

(b) An intermediate school district that is not receiving state aid under section 56 or 62 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656 and 388.1662.

(7) For commercial facilities taxes levied after 1993 for school operating purposes, the amount that would otherwise be disbursed to a local school district shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(8) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission.

(9) A new, replacement, or restored facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the commercial facilities tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the commercial facilities tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The commercial facilities tax calculated under this subsection shall be disbursed proportionately to the local taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

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(10) As used in this act, facility does not include a casino. As used in this subsection, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1984, Act 135, Imd. Eff. June 1, 1984;—Am. 1993, Act 340, Eff. Mar. 15, 1994;—Am. 1994, Act 368, Imd. Eff. Dec. 27, 1994;—Am. 1996, Act 450, Imd. Eff. Dec. 19, 1996;—Am. 1998, Act 243, Imd. Eff. July 3, 1998;—Am. 2008, Act 227, Imd. Eff. July 17, 2008.

Compiler's note: Act 163 of 1989, purporting to amend MCL 207.622, could not take effect "unless amendment 2 of House Joint Resolution I of the 85th Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963." House Joint Resolution I was submitted to, and disapproved by, the people at the special election held on November 7, 1989.

207.662a Reduction in number of mills levied under state education tax act; limitation on number of exclusions.

Sec. 12a. (1) Within 60 days after the granting of a new commercial facilities exemption certificate under section 8 for a new or a replacement facility, the state treasurer may, for a period not to exceed 6 years, exclude up to 1/2 of the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, from the specific tax calculation on the facility under section 12(3) if the state treasurer determines that reducing the number of mills used to calculate the specific tax under section 12(3) is necessary to reduce unemployment, promote economic growth, and increase capital investment in qualified local governmental units.

(2) The state treasurer shall not grant more than 25 exclusions under this section each year.

History: Add. 2008, Act 227, Imd. Eff. July 17, 2008.

Compiler's note: Former MCL 207.662a, which pertained to commercial redevelopment district for property classified as commercial property, was repealed by Act 368 of 1994, Imd. Eff. Dec. 27, 1994.

207.663 Tax as lien upon real property; certificate of nonpayment and affidavit required for proceedings upon lien.

Sec. 13. The amount of the tax applicable to real property, until paid, shall be a lien upon the real property to which the certificate is applicable; but only upon the filing by the officer of a certificate of nonpayment of the commercial facilities tax applicable to real property, together with an affidavit of proof of service of the certificate of nonpayment upon the owner of the facility by certified mail with the register of deeds of the county in which the property is situated, may proceedings then be had upon the lien in the same manner as provided by law for the foreclosure in the circuit court of mortgage liens upon real property.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.664 Grounds for revocation of exemption.

Sec. 14. The legislative body of the local governmental unit may revoke the exemption if it finds that the completion of the facility has not occurred within 2 years after the effective date of the exemption certificate or a greater time as authorized by the legislative body for good cause, or that the holder of the exemption has not proceeded in good faith with the replacement, restoration, or construction and operation of the facility in good faith in a manner consistent with the purposes of this act and in absence of circumstances that are beyond the control of the holder of the exemption certificate.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.665 Transfer or assignment of certificate; approval; notice and hearing.

Sec. 15. A commercial facilities exemption certificate may be transferred and assigned by the holder of the certificate to a new owner or lessee of the facility but only with the approval of the local governmental unit after application by the new owner or lessee, and notice and hearing in the manner provided in section 6 for the application for a certificate.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.666 Report on status of exemption.

Sec. 16. Each governmental unit granting a commercial redevelopment exemption not later than October 15 each year shall report to the commission on the status of each exemption, including the current value of the property to which the exemption pertains, the value on which the commercial facilities tax is based, and a current estimate of the number of jobs retained or created by the exemption.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

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207.667 Report on utilization of commercial redevelopment districts; economic analysis of costs and benefits.

Sec. 17. (1) The department of commerce annually shall prepare and submit to the taxation and economic development and energy committees of the house of representatives and the finance and corporations and economic development committees of the senate a report on the utilization of commercial redevelopment districts, based on the information filed with the commission.

(2) After this act has been in effect for 3 years, the department of commerce shall prepare and submit to the taxation and economic development committees of the house of representatives and the finance and corporations and economic development committees of the senate an indepth economic analysis of the costs and benefits of this act in the 3 communities where it has been most heavily utilized as determined by dollars of state equalized valuation foregone.

History: 1978, Act 255, Imd. Eff. June 21, 1978.

207.668 Limitation on new exemptions; continuation of exemption.

Sec. 18. A new exemption shall not be granted under this act after December 31, 2025, but an exemption then in effect shall continue until the expiration of the exemption certificate.

History: 1978, Act 255, Imd. Eff. June 21, 1978;—Am. 1983, Act 252, Imd. Eff. Dec. 29, 1983;—Am. 1984, Act 342, Imd. Eff. Dec. 27, 1984;—Am. 2008, Act 227, Imd. Eff. July 17, 2008;—Am. 2020, Act 218, Imd. Eff. Oct. 15, 2020.

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