

**ENTERPRISE ZONE ACT (EXCERPT)**  
**Act 224 of 1985**

**125.2103 Definitions.**

Sec. 3. As used in this act:

- (a) "Authority" means the Michigan enterprise zone authority created pursuant to section 4.
- (b) "Citizens' council" means a council created pursuant to section 9 .
- (c) "Comprehensive development plan" or "plan" means a physical improvement plan for an enterprise zone.
- (d) "Enterprise zone" or "zone" means an area approved as an enterprise zone by the authority as provided in this act.
- (e) "Facility" means real or personal industrial or commercial property located in an enterprise zone, excluding property used to provide rental housing.
- (f) "General property tax act" means Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws.
- (g) "Increased SEV" means the amount determined by subtracting the initial state equalized valuation of the property from the state equalized valuation of the property excluding the exemptions granted under this act.
- (h) "Initial SEV" means the state equalized valuation of the property in the year immediately preceding the year in which the exemption granted under section 16 takes effect. For property exempted under section 20b, the initial SEV is 0.
- (i) "Local governmental unit" means a city, village, or township.
- (j) "New facility" means real or personal industrial or commercial property located in an enterprise zone, the construction, restoration, alteration, or renovation of which begins after the date on which the business applies with the local governmental unit for certification as a qualified business. Restoration, alteration, or renovation of existing property constitutes a new facility only if the increase in the combined true cash value of the restored, altered, or renovated real and personal property is equal to or greater than 50% of the combined true cash value of the real and personal property before restoration, alteration, or renovation as defined in the general property tax act, notwithstanding the exemptions granted by this act.
- (k) "Qualified business" means either of the following, as applicable:
  - (i) A qualified new business or a qualified existing business located in an enterprise zone created before 1994.
  - (ii) A business located in an enterprise zone created after 1993.
- (l) "Qualified business activity" means business activity in an enterprise zone established before 1994 of a qualified existing business attributable to a new facility or the business activity in an enterprise zone established before 1994 of a qualified new business.
- (m) "Qualified existing business" means a business that is located in the area comprising an enterprise zone at the time the area is approved as an enterprise zone, that constructs a new facility, and that is certified by the authority as meeting the requirements of this act.
- (n) "Qualified new business" means a business located within an enterprise zone that is not located in the area comprising the enterprise zone on the date on which the authority approves the enterprise zone, and that is certified by the authority as meeting the requirements of this act.
- (o) "Tax increment finance authority" means an authority established under Act No. 197 of the Public Acts of 1975, being sections 125.1651 to 125.1681 of the Michigan Compiled Laws; the tax increment finance authority act, Act No. 450 of the Public Acts of 1980, being sections 125.1801 to 125.1830 of the Michigan Compiled Laws; or the local development financing act, Act No. 281 of the Public Acts of 1986, being sections 125.2151 to 125.2174 of the Michigan Compiled Laws.

**History:** 1985, Act 224, Imd. Eff. Jan. 13, 1986;—Am. 1990, Act 80, Imd. Eff. May 24, 1990;—Am. 1991, Act 185, Imd. Eff. Dec. 27, 1991;—Am. 1994, Act 311, Imd. Eff. July 20, 1994;—Am. 1996, Act 444, Imd. Eff. Dec. 19, 1996.

**Compiler's note:** Section 2 of Act 80 of 1990 provides: "This amendatory act applies to the 1990 tax year and tax years after the 1990 tax year."

For transfer of powers and duties of Michigan enterprise authority to the chief executive officer of Michigan jobs commission, see E.R.O. No. 1994-8, compiled at MCL 408.47 of the Michigan Compiled Laws.