

TRANSITIONAL QUALIFIED FOREST PROPERTY SPECIFIC TAX ACT (EXCERPT)
Act 260 of 2016

211.1096 Transitional qualified forest property specific tax; levy; amount; determination; payment; disbursement; form; fee; rescission of exemption; failure to file rescission; penalty.

Sec. 6. (1) There is levied upon the owner of each parcel or transitional qualified forest property a specific tax to be known as the transitional qualified forest property specific tax.

(2) The amount of the transitional qualified forest property specific tax in each year shall be the greater of an amount equal to the specific tax calculated under section 51106 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.51106, for that property or an amount determined as follows:

(a) Multiply the number of mills that would be assessed in the local tax collecting unit if the property were subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, and if the property was exempt as provided under section 7jj of the general property tax act, 1893 PA 206, MCL 211.7jj[1], by the transitional qualified forest property's taxable value.

(b) Multiply the result of the calculation in subdivision (a) by the following:

(i) For the first year the transitional qualified forest property is subject to this act, .20.

(ii) For the second year the transitional qualified forest property is subject to this act, .40.

(iii) For the third year the transitional qualified forest property is subject to this act, .60.

(iv) For the fourth year the transitional qualified forest property is subject to this act, .80.

(v) For the fifth year the transitional qualified forest property is subject to this act, 1.0.

(c) If a new millage is approved in the local tax collecting unit in which transitional qualified forest property is located after the effective date of this act, multiply the number of mills that were approved that would be assessed if the transitional qualified forest property were subject to the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, by the transitional qualified forest property's taxable value. Repeat this calculation for each individual new millage approved in the local tax collecting unit after the effective date of this act. As used in this subdivision, "new millage" does not include the renewal of some or all of a millage in existence on the effective date of this act.

(d) Add the result of the calculation under subdivision (b) and the result of all calculations under subdivision (c).

(3) The transitional qualified forest property specific tax is an annual tax, payable at the same times, in the same installments, and to the same collecting officer or officers as taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(4) The collecting officer or officers shall disburse the transitional qualified forest property specific tax to and among this state and cities, townships, villages, school districts, counties, or other taxing units, 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.

(5) The collecting officer or officers shall send a copy of the amount of disbursement made to each taxing unit under this section to the department of treasury on a form provided by the department of treasury.

(6) Beginning in the year that transitional qualified forest property is subject to tax under this act and each year thereafter, a fee is imposed on each parcel of transitional qualified forest property under this act. The fee shall be calculated in the same manner, collected at the same time and in the same manner, and disbursed in the same manner as the fee provided for under section 7jj(9) of the general property tax act, 1893 PA 206, MCL 211.7jj[1].

(7) Not more than 90 days after all or a portion of the exempted property is no longer transitional qualified forest property, the owner shall rescind the exemption for the applicable portion of the property by filing with the register of deeds for the county in which the exempted property is located a rescission form prescribed by the department. A copy of the rescission form shall be provided to the assessor. The rescission form shall include a legal description of the property. An owner who fails to file a rescission form as required by this subsection is subject to a penalty of \$5.00 per day for each separate failure beginning after the 90 days have elapsed, up to a maximum of \$1,000.00. This penalty shall be collected under 1941 PA 122, MCL 205.1 to 205.31, and shall be deposited in the private forestland enhancement fund created in section 51305 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.51305.

History: 2016, Act 260, Imd. Eff. June 28, 2016.