

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 536

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 7tt.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7TT. (1) THE GOVERNING BODY OF A LOCAL TAX COLLECTING
2 UNIT MAY ADOPT A RESOLUTION TO EXEMPT FROM THE COLLECTION OF TAXES
3 UNDER THIS ACT SPECIFICALLY IDENTIFIED REAL AND PERSONAL PROPERTY
4 OWNED BY AN ELIGIBLE ECONOMIC DEVELOPMENT GROUP AS PROVIDED IN THIS
5 SECTION.

6 (2) A RESOLUTION ADOPTED BY THE GOVERNING BODY OF THE LOCAL
7 TAX COLLECTING UNIT UNDER SUBSECTION (1) SHALL SET FORTH THE PERIOD
8 DURING WHICH SPECIFICALLY IDENTIFIED REAL AND PERSONAL PROPERTY IS
9 EXEMPT, WHICH PERIOD SHALL NOT EXCEED 7 YEARS. IF THE RESOLUTION IS
10 APPROVED AS PROVIDED IN THIS SECTION, THE EXEMPTION OF THAT

1 SPECIFICALLY IDENTIFIED REAL AND PERSONAL PROPERTY IS EFFECTIVE ON
2 THE DECEMBER 31 IMMEDIATELY SUCCEEDING THE ADOPTION OF THE
3 RESOLUTION AND SHALL CONTINUE IN EFFECT THROUGH DECEMBER 30 IN THE
4 FINAL YEAR OF EXEMPTION AS DETERMINED IN THE RESOLUTION.

5 (3) A RESOLUTION ADOPTED BY THE GOVERNING BODY OF THE LOCAL
6 TAX COLLECTING UNIT UNDER SUBSECTION (1) MAY INCLUDE TERMS AND
7 CONDITIONS OF A DEVELOPMENT AGREEMENT WITH THE ELIGIBLE ECONOMIC
8 DEVELOPMENT GROUP THAT OWNS THE SPECIFICALLY IDENTIFIED REAL AND
9 PERSONAL PROPERTY, UPON WHICH DEVELOPMENT AGREEMENT THE EXEMPTION
10 UNDER THIS SECTION IS PREDICATED.

11 (4) BEFORE ACTING ON THE RESOLUTION UNDER SUBSECTION (1), THE
12 CLERK OF THE LOCAL TAX COLLECTING UNIT SHALL NOTIFY IN WRITING THE
13 ASSESSOR OF THE LOCAL TAX COLLECTING UNIT AND THE LEGISLATIVE BODY
14 OF EACH TAXING UNIT THAT LEVIES AD VALOREM PROPERTY TAXES IN THE
15 LOCAL TAX COLLECTING UNIT. THE GOVERNING BODY OF THE LOCAL TAX
16 COLLECTING UNIT SHALL AFFORD THE ASSESSOR AND A REPRESENTATIVE OF
17 THE AFFECTED TAXING UNITS AN OPPORTUNITY FOR A HEARING BEFORE
18 ACTING ON THE RESOLUTION UNDER SUBSECTION (1). A COPY OF THE
19 RESOLUTION ADOPTED UNDER SUBSECTION (1) SHALL BE FILED WITH THE
20 STATE TAX COMMISSION, THE STATE TREASURER, AND ALL AFFECTED TAXING
21 UNITS. A RESOLUTION ADOPTED UNDER SUBSECTION (1) IS NOT EFFECTIVE
22 UNLESS APPROVED AS PROVIDED IN SUBSECTION (5).

23 (5) NOT MORE THAN 60 DAYS AFTER RECEIPT OF A COPY OF THE
24 RESOLUTION ADOPTED BY THE GOVERNING BODY OF A LOCAL TAX COLLECTING
25 UNIT UNDER SUBSECTION (1), THE STATE TAX COMMISSION SHALL DETERMINE
26 IF THE REAL AND PERSONAL PROPERTY SUBJECT TO THE EXEMPTION IS OWNED
27 BY AN ELIGIBLE ECONOMIC DEVELOPMENT GROUP. IF THE STATE TAX

1 COMMISSION DETERMINES THAT THE REAL AND PERSONAL PROPERTY SUBJECT
2 TO THE EXEMPTION IS OWNED BY AN ELIGIBLE ECONOMIC DEVELOPMENT
3 GROUP, THE STATE TREASURER SHALL APPROVE THE RESOLUTION ADOPTED
4 UNDER SUBSECTION (1) IF THE STATE TREASURER DETERMINES THAT
5 EXEMPTING THAT REAL AND PERSONAL PROPERTY OF THE ELIGIBLE ECONOMIC
6 DEVELOPMENT GROUP IS NECESSARY TO REDUCE UNEMPLOYMENT, PROMOTE
7 ECONOMIC GROWTH, AND INCREASE CAPITAL INVESTMENT IN THIS STATE.

8 (6) NOT MORE THAN 45 DAYS AFTER THE STATE TREASURER APPROVES
9 UNDER SUBSECTION (5) A RESOLUTION ADOPTED UNDER SUBSECTION (1), THE
10 COUNTY IN WHICH THE LOCAL TAX COLLECTING UNIT THAT ADOPTED THE
11 RESOLUTION UNDER SUBSECTION (1) IS LOCATED MAY BY RESOLUTION ELECT
12 TO WITHDRAW ALL MILLS LEVIED BY THAT COUNTY FROM THE EXEMPTION
13 UNDER THIS SECTION. IF A COUNTY ELECTS TO WITHDRAW ALL MILLS LEVIED
14 BY THAT COUNTY FROM THE EXEMPTION UNDER THIS SECTION, THE LOCAL TAX
15 COLLECTING UNIT SHALL LEVY AND COLLECT ALL MILLS LEVIED BY THAT
16 COUNTY ON THE REAL AND PERSONAL PROPERTY OWNED BY AN ELIGIBLE
17 ECONOMIC DEVELOPMENT GROUP IDENTIFIED IN THE RESOLUTION ADOPTED
18 UNDER SUBSECTION (1). A COPY OF A RESOLUTION ADOPTED UNDER THIS
19 SUBSECTION SHALL BE FILED WITH THE LOCAL TAX COLLECTING UNIT, THE
20 STATE TAX COMMISSION, AND THE STATE TREASURER.

21 (7) THE STATE TAX COMMISSION SHALL ANNUALLY REPORT TO THE
22 SENATE FINANCE COMMITTEE AND HOUSE TAX POLICY COMMITTEE THE TOTAL
23 NUMBER OF ELIGIBLE ECONOMIC DEVELOPMENT GROUPS THAT ARE RECEIVING
24 AN EXEMPTION UNDER THIS SECTION.

25 (8) AS USED IN THIS SECTION, "ELIGIBLE ECONOMIC DEVELOPMENT
26 GROUP" MEANS A NONPROFIT ORGANIZATION THE PRIMARY PURPOSE OF WHICH
27 IS THE ECONOMIC DEVELOPMENT OF REAL PROPERTY OR COMBINING PARCELS

1 OF REAL PROPERTY FOR ECONOMIC DEVELOPMENT PURPOSES.