

HOUSE BILL No. 4047

January 18, 2017, Introduced by Rep. Whiteford and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 9p.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9P. (1) BEGINNING DECEMBER 31, 2017, ELIGIBLE BROADBAND
2 EQUIPMENT IS EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT.

3 (2) AS USED IN THIS SECTION:

4 (A) "BROADBAND SERVICE" MEANS INTERNET ACCESS SERVICE CAPABLE
5 OF TRANSMITTING DATA AT A RATE OF AT LEAST 50 MEGABITS PER SECOND
6 OF DOWNLOAD SPEED AND 5 MEGABITS PER SECOND OF UPLOAD SPEED.

7 (B) "ELIGIBLE BROADBAND EQUIPMENT" MEANS ANY EQUIPMENT OWNED
8 BY A QUALIFIED BUSINESS THAT MEETS ALL OF THE FOLLOWING:

9 (i) IS USED FOR OR IS SUBSTANTIALLY RELATED TO PROVIDING
10 BROADBAND SERVICE IN AT LEAST 1 DIRECTION. THE TERM INCLUDES, BUT

1 IS NOT LIMITED TO, ASYNCHRONOUS TRANSFER MODE SWITCHES, DIGITAL
2 SUBSCRIBER LINE ACCESS MULTIPLEXERS, ROUTERS, SERVERS,
3 MULTIPLEXERS, FIBER OPTICS, AND RELATED EQUIPMENT. THE TERM ALSO
4 INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

5 (A) FOR A QUALIFIED BUSINESS THAT IS A TELECOMMUNICATIONS
6 CARRIER, EQUIPMENT THAT IS NECESSARY TO PROVIDE BROADBAND SERVICE
7 AND IS AN INTEGRAL PART OF A BROADBAND NETWORK.

8 (B) FOR A QUALIFIED BUSINESS THAT IS A COMMERCIAL MOBILE
9 SERVICE CARRIER, EQUIPMENT EXTENDING FROM THE SUBSCRIBER SIDE OF
10 THE MOBILE TELECOMMUNICATIONS SWITCHING OFFICE TO A TRANSMITTING OR
11 RECEIVING ANTENNA, INCLUDING THE ANTENNA, ON THE OUTSIDE OF THE
12 STRUCTURE IN WHICH THE SUBSCRIBER IS LOCATED.

13 (C) FOR A QUALIFIED BUSINESS THAT IS A CABLE OR OPEN VIDEO
14 SYSTEM OPERATOR OR VIDEO SERVICE PROVIDER, EQUIPMENT EXTENDING FROM
15 THE HEADEND TO THE OUTSIDE OF THE STRUCTURE IN WHICH THE SUBSCRIBER
16 IS LOCATED.

17 (ii) WAS FIRST INSTALLED OR USED BY THE QUALIFIED BUSINESS
18 AFTER DECEMBER 31, 2016 AND HAS BEEN USED BY THE QUALIFIED BUSINESS
19 FOR NOT MORE THAN 10 YEARS.

20 (C) "PERSON" MEANS AN INDIVIDUAL, SOLE PROPRIETORSHIP,
21 PARTNERSHIP, CORPORATION, ASSOCIATION, LIMITED LIABILITY COMPANY,
22 OR ANY OTHER LEGAL ENTITY.

23 (D) "QUALIFIED BUSINESS" MEANS A PERSON WHO PROVIDES
24 TERRESTRIAL BROADBAND SERVICE.