



Senate Fiscal Agency
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Senate Bill 199 (as introduced 3-20-25)
Sponsor: Senator Sam Singh
Committee: Appropriations

Date Completed: 11-4-25

CONTENT

The bill would amend the Tax Increment Financing Act, in effect, to extend the tax increment financing (TIF) for the City of Lansing for an additional 20 years, from 2039 to 2059.

The TIF authority in the City of Lansing was created to capture and administer tax capture within the downtown area. Tax increment financing is a special tool used for financing development in a particular area. The tax revenue is frozen at the base level and the incremental increases in tax revenue over time on top of the base level is set aside in a special fund for use on eligible development. The bill also would expand the use of the TIF for "assisting with the repurposing and redevelopment of public or private office buildings and office spaces", "assisting with the construction or redevelopment of residential housing", and "building or creating public infrastructure, public spaces, and placemaking elements that support economic development, business growth, or commerce activities".

MCL 125.4301

FISCAL IMPACT

The bill would have a negative, but indeterminate fiscal impact on State and local revenue equal to the incremental amounts captured in the additional 20 years between 2039 and 2059. The bill would reduce the revenue that would go to the State, including the School Aid Fund, and local governmental units from 2039 through 2059; however, it is difficult to determine the amount as it would depend on future property taxable values in the Lansing area.

Fiscal Analyst: Robert Canell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.