STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014

Introduced by Senators Proos, Jones and Kowall

ENROLLED SENATE BILL No. 536

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," (MCL 211.1 to 211.155) by adding section 7tt.

The People of the State of Michigan enact:

Sec. 7tt. (1) The governing body of a local tax collecting unit may adopt a resolution to exempt from the collection of taxes under this act specifically identified real and personal property owned by an eligible economic development group as provided in this section.

(2) A resolution adopted by the governing body of the local tax collecting unit under subsection (1) shall set forth the period during which specifically identified real and personal property is exempt, which period shall not exceed 7 years. If the resolution is approved as provided in this section, the exemption of that specifically identified real and personal property is effective on the December 31 immediately succeeding the adoption of the resolution and shall continue in effect through December 30 in the final year of exemption as determined in the resolution.

(3) A resolution adopted by the governing body of the local tax collecting unit under subsection (1) may include terms and conditions of a development agreement with the eligible economic development group that owns the specifically identified real and personal property, upon which development agreement the exemption under this section is predicated.

(4) Before acting on the resolution under subsection (1), the clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit. The governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing before acting on the resolution under subsection (1). A copy of the resolution adopted under subsection (1) shall be filed with the state tax commission, the state treasurer, and all affected taxing units. A resolution adopted under subsection (1) is not effective unless approved as provided in subsection (5).

(5) Not more than 60 days after receipt of a copy of the resolution adopted by the governing body of a local tax collecting unit under subsection (1), the state tax commission shall determine if the real and personal property subject to the exemption is owned by an eligible economic development group. If the state tax commission determines that the real and personal property subject to the exemption is owned by an eligible economic development group, the state treasurer shall approve the resolution adopted under subsection (1) if the state treasurer determines that exempting that real and personal property of the eligible economic development group is necessary to reduce unemployment, promote economic growth, and increase capital investment in this state.

(6) Not more than 45 days after the state treasurer approves under subsection (5) a resolution adopted under subsection (1), the county in which the local tax collecting unit that adopted the resolution under subsection (1) is located may by resolution elect to withdraw all mills levied by that county from the exemption under this section. If a county elects to withdraw all mills levied by that county from the exemption under this section, the local tax collecting unit shall levy and collect all mills levied by that county on the real and personal property owned by an eligible economic development group identified in the resolution adopted under subsection (1). A copy of a resolution adopted under this subsection shall be filed with the local tax collecting unit, the state tax commission, and the state treasurer.

(7) The state tax commission shall annually report to the senate finance committee and house tax policy committee the total number of eligible economic development groups that are receiving an exemption under this section.

(8) As used in this section, "eligible economic development group" means a nonprofit organization the primary purpose of which is the economic development of real property or combining parcels of real property for economic development purposes.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gary E Randall

Clerk of the House of Representatives

Approved .....

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Governor