

**SUBSTITUTE FOR
SENATE BILL NO. 455**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7ff (MCL 211.7ff), as amended by 2005 PA 165.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7ff. (1) For taxes levied after 1996, except as otherwise
2 provided in subsections (2) and (3) and except as limited in
3 subsections (4), (5), and (6), real property in a renaissance zone
4 and personal property located in a renaissance zone is exempt from
5 ~~taxes collected~~ **the collection of taxes** under this act to the
6 extent and for the duration provided ~~pursuant to~~ **under** the Michigan
7 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

8 (2) ~~Real~~ **Except as otherwise provided in subsection (7), real**
9 and personal property in a renaissance zone is not exempt from



1 collection of the following:

2 (a) A special assessment levied by the local tax collecting
3 unit in which the property is located.

4 (b) Ad valorem property taxes specifically levied for the
5 payment of principal and interest of obligations approved by the
6 electors or obligations pledging the unlimited taxing power of the
7 local governmental unit.

8 (c) A tax levied under section 705, 1211c, or 1212 of the
9 revised school code, 1976 PA 451, MCL 380.705, 380.1211c, and
10 380.1212.

11 (3) Real property in a renaissance zone on which a casino is
12 operated and personal property of a casino located in a renaissance
13 zone is not exempt from the collection of taxes under this act. As
14 used in this subsection, "casino" means a casino regulated by this
15 state ~~pursuant to~~ **under** the Michigan gaming control and revenue
16 act, ~~the Initiated Law of 1996,~~ **1996 IL 1**, MCL 432.201 to 432.226,
17 and all property associated or affiliated with the operation of a
18 casino, including, but not limited to, a parking lot, hotel, motel,
19 or retail store.

20 (4) For residential rental property in a renaissance zone, the
21 exemption provided under this section is only available if that
22 residential rental property is in substantial compliance with all
23 applicable state and local zoning, building, and housing laws,
24 ordinances, or codes and either of the following occurs:

25 (a) The property owner files an affidavit before December 31
26 in the immediately preceding tax year with the treasurer of the
27 local tax collecting unit in which the property is located stating
28 that the property is in substantial compliance with all applicable
29 state and local zoning, building, and housing laws, ordinances, or



1 codes.

2 (b) Beginning December 31, 2004, the qualified local
 3 governmental unit in which the residential rental property is
 4 located determines that the residential rental property is in
 5 substantial compliance with all applicable state and local zoning,
 6 building, and housing laws, ordinances, and codes on tax day as
 7 provided in section 2. If the qualified local governmental unit in
 8 which the residential rental property is located determines that
 9 the residential rental property is in substantial compliance with
 10 all applicable state and local zoning, building, and housing laws,
 11 ordinances, and codes on tax day as provided in section 2, the
 12 property owner is not required to file an affidavit under
 13 subdivision (a).

14 (5) Except as otherwise provided in subsection (6), personal
 15 property is exempt under this section if that property is located
 16 in a renaissance zone on tax day as provided in section 2 and was
 17 located in that renaissance zone for not less than 50% of the
 18 immediately preceding tax year. The written statement required
 19 under section 19 ~~shall~~**must** identify all personal property located
 20 in a renaissance zone on tax day as provided in section 2 and ~~shall~~
 21 **must** indicate whether that personal property was located in that
 22 renaissance zone for 50% of the immediately preceding tax year.

23 (6) Personal property located in a renaissance zone on tax day
 24 as provided in section 2 and located in that renaissance zone for
 25 less than 50% of the immediately preceding tax year is exempt under
 26 this section if an owner of the personal property files an
 27 affidavit with the written statement required under section 19
 28 stating that the personal property will be located in that
 29 renaissance zone for not less than 50% of the tax year for which



1 the exemption is claimed. The written statement required under
2 section 19 ~~shall~~**must** identify all personal property located in
3 that renaissance zone on tax day as provided in section 2 and
4 identify that personal property for which an exemption is claimed
5 under this subsection.

6 (7) For taxes and assessments levied after December 31, 2016,
7 subsection (2) (b) and (c) does not apply to eligible data center
8 property located at the site of a renaissance zone that was
9 approved in 2016 by the Michigan strategic fund with a minimum
10 investment of \$100,000,000.00. For purposes of this subsection, the
11 site of a renaissance zone approved in 2016 continues to be
12 considered as approved in 2016 if that site is subsequently
13 approved as a renaissance zone for the same entity in any future
14 year.

15 (8) ~~(7)~~As used in this section:

16 (a) "Eligible data center property" means the real property on
17 which a qualified data center is located and all personal property
18 located in the qualified data center.

19 (b) "Qualified data center" means that term as defined in
20 section 4ee of the general sales tax act, 1933 PA 167, MCL
21 205.54ee, or section 4cc of the use tax act, 1937 PA 94, MCL
22 205.94cc.

23 (c) ~~(a)~~"Qualified local governmental unit" means that term as
24 defined in section 3 of the Michigan renaissance zone act, 1996 PA
25 376, MCL 125.2683.

26 (d) ~~(b)~~"Renaissance zone" means that area designated a
27 renaissance zone under the Michigan renaissance zone act, 1996 PA
28 376, MCL 125.2681 to 125.2696.

29 (e) ~~(e)~~"Residential rental property" means that portion of



1 real property not occupied by an owner of that real property that
2 is classified as residential real property under section 34c, is a
3 multiple-unit dwelling, or is a dwelling unit in a multiple purpose
4 structure, used for residential purposes, and all personal property
5 located in that real property.