

Act No. 323
Public Acts of 1996
Approved by the Governor
June 25, 1996
Filed with the Secretary of State
June 25, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Reps. Brackenridge and Bullard

ENROLLED HOUSE BILL No. 5357

AN ACT to amend sections 5, 6, and 7 of Act No. 198 of the Public Acts of 1974, entitled "An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties," section 7 as amended by Act No. 417 of the Public Acts of 1982, being sections 207.555, 207.556, and 207.557 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Sections 5, 6, and 7 of Act No. 198 of the Public Acts of 1974, section 7 as amended by Act No. 417 of the Public Acts of 1982, being sections 207.555, 207.556, and 207.557 of the Michigan Compiled Laws, are amended to read as follows:

Sec. 5. (1) After the establishment of a district, the owner or lessee of a facility may file an application for an industrial facilities exemption certificate with the clerk of the local governmental unit that established the plant rehabilitation district or industrial development district. The application shall be filed in the manner and form prescribed by the commission. The application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be a part of the facility, a time schedule for undertaking and completing the restoration, replacement, or construction of the facility, and information relating to the requirements in section 9.

(2) Upon receipt of an application for an industrial facilities exemption certificate, the clerk of the local governmental unit shall notify in writing the assessor of the assessing unit in which the facility is located or to be located, and the legislative body of each taxing unit that levies ad valorem property taxes in the local governmental unit in which the facility is located or to be located. Before acting upon the application, the legislative body of the local governmental unit shall afford the applicant, the assessor, and a representative of the affected taxing units an opportunity for a hearing.

(3) The local governmental unit may charge the applicant an application fee to process an application for an industrial facilities exemption certificate. The application fee shall not exceed the actual cost incurred by the local governmental unit in processing the application or 2% of the total property taxes abated under this act for the term that the industrial facilities exemption certificate is in effect, whichever is less. A local governmental unit shall not charge an applicant any other fee under this act.

Sec. 6. The legislative body of the local governmental unit, not more than 60 days after receipt by its clerk of the application, shall by resolution either approve or disapprove the application for an industrial facilities exemption certificate in accordance with section 9 and the other provisions of this act. If disapproved, the reasons shall be set forth in writing in the resolution. If approved, the clerk shall forward the application to the commission within 60 days of approval or before October 31 of that year, whichever is first, in order to receive the industrial facilities exemption certificate effective for the following year. If disapproved, the clerk shall return the application to the applicant. The applicant may appeal the disapproval to the commission within 10 days after the date of the disapproval.

Sec. 7. (1) Within 60 days after receipt of an approved application or an appeal of a disapproved application that was submitted to the commission before October 31 of that year, the commission shall determine whether the facility is a speculative building or designed and acquired primarily for the purpose of restoration or replacement of obsolete industrial property or the construction of new industrial property, and whether the facility otherwise complies with section 9 and with the other provisions of this act. If the commission so finds, it shall issue an industrial facilities exemption certificate. Before issuing a certificate the commission shall notify the state treasurer of the application and shall obtain the written concurrence of the department of commerce that the application complies with the requirements in section 9. The effective date of the certificate for a replacement facility or new facility shall be the December 31 next following the date of issuance of the certificate. For a speculative building or a portion thereof, the effective date of the certificate shall be the December 31 next following the date the speculative building, or the portion thereof, is being used as a manufacturing facility.

(2) The commission shall send an industrial facilities exemption certificate, when issued, by certified mail to the applicant, and a certified copy by certified mail to the assessor of the assessing unit in which the facility is located or to be located, which copy shall be filed of record in his or her office. Notice of the commission's refusal to issue a certificate shall be sent by certified mail to the same persons.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.