

# HOUSE BILL No. 4913

September 7, 2011, Introduced by Rep. Foster and referred to the Committee on Natural Resources, Tourism, and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending section 51108 (MCL 324.51108), as amended by 2008 PA  
299.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 51108. (1) An owner of a commercial forest may withdraw  
2 his or her land, in whole or in part, from the operation of this  
3 part upon application to the department and payment of the  
4 withdrawal application fee and penalty, as provided in this  
5 section.

6       (2) Except as otherwise provided by this section, upon  
7 application to the department to withdraw commercial forestland  
8 from the operation of this part, the applicant shall forward to the

1 department a withdrawal application fee in the amount of \$1.00 per  
2 acre with a minimum withdrawal application fee of \$200.00 per  
3 application and a maximum withdrawal application fee of \$1,000.00  
4 per application.

5 (3) Except as otherwise provided in this section, an  
6 application to withdraw commercial forestland from the operation of  
7 this part shall be granted upon the payment to the township  
8 treasurer in which the commercial forestland is located of a  
9 penalty. For applications to withdraw commercial forestland filed  
10 on or after September 27, 2007 in which the withdrawal penalty has  
11 not been paid before ~~the effective date of the amendatory act that~~  
12 ~~added subdivision (d),~~ **OCTOBER 8, 2008**, the withdrawal penalty  
13 shall be calculated in the following manner:

14 (a) Multiply the number of acres of commercial forestland  
15 withdrawn from the operation of this part by 1 of the following:

16 (i) For 2007, 1/2 of the valuation per acre for the county in  
17 which the forestland is located.

18 (ii) Beginning in 2008, and for each subsequent year, the  
19 number described in subparagraph (i) adjusted annually by the  
20 inflation rate for each year after 2007.

21 (b) Multiply the product of the calculation in subdivision (a)  
22 by the average millage rate levied by all townships, excluding  
23 villages, in the county in which the property is located.

24 (c) Multiply the product of the calculation in subdivision (b)  
25 by the number of years, to a maximum of 7 years, in which the  
26 property withdrawn from the operation of this part has been  
27 designated as commercial forestland under this part.

(d) Multiply the product of the calculation in subdivision (c) by the following:

(i) 0.2, if the commercial forestland is located in Luce county.

(ii) 0.3, if the commercial forestland is located in Grand Traverse, Manistee, Ottawa, or Wexford county.

(iii) 0.4, if the commercial forestland is located in Charlevoix, Chippewa, Emmet, Gladwin, Leelanau, Midland, Oscoda, or Tuscola county.

(iv) 0.5, if the commercial forestland is located in Cheboygan, Delta, Mackinac, Oceana, Otsego, or Schoolcraft county.

(v) 0.6, if the commercial forestland is located in Alcona, Alger, Allegan, Alpena, Arenac, Barry, Bay, Benzie, Berrien, Branch, Calhoun, Cass, Clare, Clinton, Crawford, Dickinson, Eaton, Genesee, Gogebic, Gratiot, Hillsdale, Houghton, Huron, Ingham, Ionia, Iosco, Iron, Isabella, Jackson, Kalamazoo, Kalkaska, Kent, Lapeer, Lenawee, Livingston, Macomb, Marquette, Mecosta, Monroe, Montcalm, Montmorency, Muskegon, Newaygo, Oakland, Ogemaw, Osceola, Presque Isle, Roscommon, Saginaw, St. Clair, St. Joseph, Sanilac, Shiawassee, Van Buren, Washtenaw, or Wayne county.

(vi) 0.7, if the commercial forestland is located in Antrim, Baraga, Mason, or Menominee county.

(vii) 0.8, if the commercial forestland is located in Keweenaw, Lake, Missaukee, or Ontonagon county.

(4) The department shall publish all of the following on its website:

(a) The calculation described in subsection (3)(a)(i) for each

1 county.

2 (b) The adjusted value and the inflation rate described in  
3 subsection (3)(a)(ii) for each county.

4 (c) The average millage rate described in subsection (3)(b)  
5 for each county.

6 (5) An application to withdraw commercial forestland from the  
7 operation of this part that meets 1 or more of the following  
8 requirements shall be granted without payment of the withdrawal  
9 application fee or penalty under this section:

10 (a) Commercial forestland that has been donated to a public  
11 body for public use prior to withdrawal.

12 (b) Commercial forestland that has been exchanged for property  
13 belonging to a public body if the property received is designated  
14 as a commercial forest as determined by the department.

15 (c) Commercial forestland that has been condemned for public  
16 use.

17 (6) AN APPLICATION TO WITHDRAW COMMERCIAL FORESTLAND FROM THE  
18 OPERATION OF THIS PART THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS  
19 SHALL BE GRANTED WITHOUT PAYMENT OF THE WITHDRAWAL APPLICATION FEE  
20 OR PENALTY UNDER THIS SECTION:

21 (A) EVIDENCE IS SUBMITTED TO THE DEPARTMENT THAT THE LAND MET  
22 THE LEGAL REQUIREMENTS TO BE EXEMPT FROM AD VALOREM PROPERTY TAX IN  
23 THE TAX YEAR IN WHICH THE LIST APPLICATION WAS SUBMITTED AND  
24 APPROVED.

25 (B) THE APPLICATION TO WITHDRAW IS SUBMITTED TO THE DEPARTMENT  
26 BY THE SAME LANDOWNER THAT SUBMITTED THE APPLICATION FOR  
27 DETERMINATION UNDER SECTION 51103.

1           (C) REIMBURSEMENT IS MADE BY THE LANDOWNER TO THE STATE  
2       TREASURER FOR THE SPECIFIC TAX THAT WAS PAID BY THE STATE TREASURER  
3       TO THE COUNTY TREASURER, AS PROVIDED IN SECTION 51106(1), FOR EACH  
4       TAX YEAR THE LAND WAS COMMERCIAL FORESTLAND.

5           (7) ~~(6)~~—The department shall remit the withdrawal application  
6       fee paid pursuant to subsection (2) to the state treasurer for  
7       deposit into the fund. The penalty received by the township  
8       treasurer under subsection (3) shall be distributed by the township  
9       treasurer in the same proportions to the various funds as the ad  
10      valorem general property tax is allocated in the township, except  
11      as provided by section 51109(2).

12          (8) ~~(7)~~—If an application to withdraw commercial forestland is  
13      granted, the department shall immediately notify the applicant, the  
14      supervisor of the township, and the register of deeds of the county  
15      in which the lands are located of the action and shall file with  
16      those officials a list of the lands withdrawn.

17          (9) ~~(8)~~—As used in this section:

18          (a) "Inflation rate" means the lesser of 1.05 or the inflation  
19      rate as defined in section 34d of the general property tax act,  
20      1893 PA 206, MCL 211.34d.

21          (b) "Valuation" means the market value as determined by the  
22      state tax commission.