

SENATE BILL NO. 48

January 22, 2019, Introduced by Senator BARRETT and referred to the Committee on Finance.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 9i (MCL 211.9i), as added by 2002 PA 549.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9i. (1) ~~Alternative~~ **Subject to subsection (2),**
2 **alternative** energy personal property is exempt from the collection
3 of taxes under this act as provided in this section.
4 ~~(2) If the Michigan next energy authority certifies~~
5 ~~alternative energy personal property as eligible for the exemption~~
6 ~~under this section as provided in the Michigan next energy~~

1 ~~authority act, the Michigan next energy authority shall forward a~~
2 ~~copy of that certification to all of the following:~~

3 ~~(a) The secretary of the local school district in which the~~
4 ~~alternative energy personal property is located.~~

5 ~~(b) The treasurer of the local tax collecting unit in which~~
6 ~~the alternative energy personal property is located.~~

7 ~~(3) Within 60 days after receipt of the certification of~~
8 ~~alternative energy personal property under subsection (2), the~~
9 ~~school board for the local school district in which the alternative~~
10 ~~energy personal property is located, with the written concurrence~~
11 ~~of the superintendent of the local school district, may adopt a~~
12 ~~resolution to not exempt that alternative energy personal property~~
13 ~~from a tax levied in that local school district under section 1212~~
14 ~~of the revised school code, 1976 PA 451, MCL 380.1212, or a tax~~
15 ~~levied under the revised school code, 1976 PA 451, MCL 380.1 to~~
16 ~~380.1852, to retire outstanding bonded indebtedness. If a~~
17 ~~resolution is adopted under this subsection, a copy of the~~
18 ~~resolution shall be forwarded to the Michigan next energy~~
19 ~~authority, to the treasurer of the local tax collecting unit, and~~
20 ~~to the state treasurer. If a resolution is not adopted under this~~
21 ~~subsection, that alternative energy personal property is exempt~~
22 ~~from a tax levied in that local school district under section 1212~~
23 ~~of the revised school code, 1976 PA 451, MCL 380.1212, or a tax~~
24 ~~levied under the revised school code, 1976 PA 451, MCL 380.1 to~~
25 ~~380.1852, to retire outstanding bonded indebtedness, for the period~~
26 ~~provided in subsection (5).~~

27 ~~(4) Within 60 days after receipt of the certification of~~
28 ~~alternative energy personal property under subsection (2), the~~
29 ~~governing body of the local tax collecting unit in which the~~

~~1 alternative energy personal property is located may adopt a
 2 resolution to not exempt that alternative energy personal property
 3 from the taxes collected in that local tax collecting unit, except
 4 taxes collected under sections 1211 and 1212 of the revised school
 5 code, 1976 PA 451, MCL 380.1211 and 380.1212, a tax levied under
 6 the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to
 7 retire outstanding bonded indebtedness, or the tax levied by this
 8 state under the state education tax act, 1993 PA 331, MCL 211.901
 9 to 211.906. The clerk of the local tax collecting unit shall notify
 10 in writing the assessor of the local tax collecting unit in which
 11 the alternative energy personal property is located and the
 12 legislative body of each taxing unit that levies ad valorem
 13 property taxes in that local tax collecting unit in which the
 14 alternative energy personal property is located. Notice of the
 15 meeting at which the resolution will be considered shall be
 16 provided as required under the open meetings act, 1976 PA 267, MCL
 17 15.261 to 15.275. Before acting on the resolution, the governing
 18 body of the local tax collecting unit shall afford the assessor and
 19 a representative of the affected taxing units an opportunity for a
 20 hearing. If a resolution is adopted under this subsection, a copy
 21 of the resolution shall be forwarded to the Michigan next energy
 22 authority and to the state treasurer. If a resolution is not
 23 adopted under this subsection, that alternative energy personal
 24 property is exempt from the taxes collected in that local tax
 25 collecting unit for the period provided in subsection (5), except
 26 as otherwise provided in this section.~~

27 (2) ~~(5)~~—The exemption under this section applies to taxes
 28 levied **the following:**

29 (a) **Taxes levied on alternative energy personal property** after

1 December 31, 2002 and before January 1, 2013.

2 (b) Taxes levied on that category of alternative energy
3 personal property described in subsection (3) (a) (i) after the
4 effective date of the amendatory act that added this subdivision,
5 without regard to ownership of the alternative energy personal
6 property, provided that all of the following conditions are met:

7 (i) The alternative energy personal property has a generating
8 capacity of not more than 150 kilowatts and is used solely to
9 offset all or a portion of the commercial or industrial energy
10 usage of the person upon whose real property the alternative energy
11 personal property is located.

12 (ii) If installed after the effective date of the amendatory
13 act that added this subparagraph, the alternative energy personal
14 property has a true cash value that, when combined with the true
15 cash value of all personal property exempt under section 9o as
16 eligible personal property of the person claiming the exemption
17 under this section or a related entity, equals less than
18 \$80,000.00.

19 (3) ~~(6)~~—As used in this section:

20 (a) "Alternative energy personal property" means all of the
21 following:

22 (i) An alternative energy system.

23 (ii) An alternative energy vehicle.

24 (iii) All personal property of an alternative energy technology
25 business.

26 (iv) The personal property of a business that is not an
27 alternative energy technology business that is used solely for the
28 purpose of researching, developing, or manufacturing an alternative
29 energy technology.

1 (b) "Alternative energy system", "alternative energy vehicle",
2 "alternative energy technology", and "alternative energy technology
3 business" mean those terms as defined in the Michigan next energy
4 authority act, **2002 PA 593, MCL 207.821 to 207.827.**

5 Enacting section 1. This amendatory act does not take effect
6 unless Senate Bill No. 47
7 of the 100th Legislature is enacted into law.